

1 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
2 enact the following hospital stabilization formula pursuant to Article VII, Section 10.13 of
3 the Constitution of Louisiana:

4 I. Hospital Stabilization Assessment.

5 A. The Department of Health and Hospitals shall calculate, levy, and collect
6 an assessment for each assessed hospital in accordance with Subsection B of this
7 Section if all of the following occur:

8 (1) Implementation of the reimbursement enhancements as provided for in
9 Paragraph (1) of Section II of this Resolution on or before April 1, 2016.

10 (2) The applicable federal financial participation, as set forth in 42 U.S.C.
11 1396d(y) of Title XIX of the Social Security Act, is less than one hundred percent.

12 (3) Approval from the Joint Legislative Committee on the Budget of the
13 proposed assessment, including a list of each hospital that will be assessed.

14 B.(1) The total assessment for the state fiscal year shall be equal to, but shall
15 not exceed, the lesser of the following:

16 (a) The state portion of the cost, excluding any federal financial
17 participation, of the reimbursement enhancements provided for in Paragraph (1) of
18 Section II of this Resolution which are directly attributable to payments to hospitals.

19 (b) One percent of the total net patient revenue of all hospitals included in
20 the assessment, as reported in the Medicare cost report ending in federal fiscal year
21 2013.

22 (2) The Department of Health and Hospitals shall allocate the assessment to
23 each assessed hospital on a pro rata basis by calculating the quotient of the total
24 assessment divided by the total net patient revenue of all assessed hospitals as
25 reported in the Medicare cost report ending in federal fiscal year 2013 and
26 multiplying the quotient by each assessed hospital's total net patient revenue. If a
27 hospital was not required to file a Medicare cost report or did not file a Medicare
28 cost report ending in federal fiscal year 2013, the hospital shall submit to the
29 Department of Health and Hospitals its most applicable fiscal year total of net patient
30 revenue in a form prescribed by the department.

1 (3) The Department of Health and Hospitals shall levy and collect the
2 assessment provided for in this Section on a quarterly basis. Prior to levying or
3 collecting the assessment for the applicable quarterly period, the Department of
4 Health and Hospitals shall publish in the Louisiana Register the total amount of the
5 quarterly assessment and the corresponding applicable percentage of total net patient
6 revenue that will be applied to the assessed hospitals.

7 C.(1) The Department of Health and Hospitals shall exclude a hospital from
8 the assessment if any of the following are applicable:

9 (a) The hospital is certified by Medicare as a separately licensed long-term
10 acute care, rehabilitation, or psychiatric hospital.

11 (b) The hospital has sixty or less beds, either as reported in the Medicare cost
12 report ending in federal fiscal year 2013 or as licensed by the Department of Health
13 and Hospitals on December 31, 2013.

14 (c) The hospital meets the definition of a rural hospital as defined in R.S.
15 40:1300.143.

16 (2) The Department of Health and Hospitals may also exclude a hospital or
17 class of hospitals which is necessary to achieve approval of the assessment from the
18 Centers for Medicare and Medicaid Services.

19 II. Reimbursement Enhancements.

20 The Department of Health and Hospitals shall provide for reimbursement
21 enhancements as follows:

22 (1) Payment for health care services through the implementation of a health
23 coverage expansion of the Louisiana medical assistance program that meets all the
24 requirements necessary for the state to maximize federal matching funds as set forth
25 in 42 U.S.C. 1396d(y) of Title XIX of the Social Security Act.

26 (2) Payment of either the hospital inpatient and outpatient reimbursement
27 rates which were in effect on December 31, 2010, or such rates which were in effect
28 on June 30, 2013, whichever is greater, for hospital services provided pursuant to the
29 Louisiana medical assistance program provided that there are adequate savings
30 generated from the implementation of a health coverage expansion as provided for
31 in this Section and funds are appropriated in the budget.

1 III. Hospital Base Reimbursement Level.

2 The hospital base reimbursement level is hereby defined and established as
3 all inpatient and outpatient hospital reimbursement rates and methodologies under
4 the state plan for the Louisiana medical assistance program, including, but not
5 limited to inpatient peer group per diem rates, outpatient fee schedules, outpatient
6 cost reimbursed services and cost report settlements, supplemental, outlier, and other
7 special payments, including Medicaid Disproportionate Share Hospital payments,
8 and all other polices and methodologies related to claims administration,
9 reimbursement, and adjudications adopted by the Department of Health and
10 Hospitals in effect on June 30, 2013, except for the following amendments to the
11 state plan for the Louisiana medical assistance program:

12 (1) Any amendment approved by the Centers for Medicare and Medicaid
13 Services after June 30, 2013, regardless of the effective date of the amendment.

14 (2) Amendments identified by the following transmittal numbers:

15 (a) TN 09-55.

16 (b) TN 09-56.

17 (c) TN 10-26.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____