

Medicaid Purchase Plan

Response to Act 207 of the 2003 Regular Session

State Fiscal Year 2025

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March 2025



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Executive Summary

Act 207 (Senate Bill No. 305 of the 2003 Regular Session) requires the Louisiana Department of Health (LDH) to submit certain information on a semiannual 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 includes the status of MPP, the total estimated annual gross income of the program's participants, and any recommendations for expanding coverage. Revised Statute 24:772 also requires that the report be submitted to the Senate President and the House Speaker.

This report contains data from July 1, 2024, to December 31, 2024, the first six months of State Fiscal Year (SFY) 2025.

Program Overview

The MPP is an optional Medicaid program that provides healthcare coverage to individuals with disabilities who are employed and meet specific income requirements. MPP was implemented in January 2004 and provides full medical coverage, including coverage for prescription drugs, hospital care, doctor services, medical equipment and supplies, and medical transportation. Expenses for these services to members, which includes Fee for Service expenses and capitation payments to MCOs, totaled \$4,612,491 during the first six months of SFY 2025. Since the inception of MPP, 31,805 individuals have been enrolled in the program. Enrollment during the first six months of SFY 2025 was 3,650 individuals.

Senate Concurrent Resolution 17 of the 2024 Regular Legislative Session requested the Department to increase eligibility requirements for this program to the original countable income and asset limits established when the program was first implemented. The Department is currently working to finalize changes to its rules and the Medicaid State Plan to increase the income limit for this program from 100% to 200% of the federal poverty level (FPL), require premiums for workers with income above 150% of FPL, and increase the countable resources the worker can own from \$10,000 to \$25,000.

Positive Impact of MPP

With increased earnings comes increased buying power for Louisiana's economy. MPP enrollees are tax-paying residents whose estimated combined gross earned income during the first six months of SFY 2025 totaled \$29,379,416, contributed approximately \$2,954,117 in federal taxes (including FICA and federal income tax) and approximately \$476,407 in state taxes. Total income is estimated based on information provided by members or system checks through the Louisiana Department of Revenue. Income information provided for one or more months is used to project 12-month totals. Tax information is estimated using current tax tables.

The Department recognizes that work is a fundamental part of adult life for people with and without disabilities. MPP is essential to supporting individuals with disabilities as they strive to become self-sufficient.

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