



State of Louisiana
Louisiana Department of Health
Office of the Secretary

April 10, 2025

Via Statutorily Prescribed Email

To: The Honorable Patrick McMath, Chairman, Senate Health & Welfare Committee
The Honorable Dustin Miller, Chairman, House Health & Welfare Committee

From: Drew P. Maranto
Interim Secretary

Re: Second Report to Proposed Amendments to LAC 50:III.2309 – Medicaid Purchase Plan – Recipient Eligibility

Pursuant to the Louisiana Administrative Procedure Act, the Louisiana Department of Health, Bureau of Health Services Financing, submits its second report regarding the Medicaid Purchase Plan – Recipient Eligibility, LAC 50:III.2309.

A Notice of Intent on the proposed amendments was published in the February 20, 2025 issue of the *Louisiana Register* (LR 51:316). No written comments were received and there was no request for a public hearing during the notice period. Because there were no requests for a public hearing, one was not held for these proposed amendments. Additionally, no substantive changes were made to the proposed amendments since the report provide for in R.S. 49:966B-C was submitted.

Unless otherwise directed, the Department anticipates adopting the February 20, 2025 Notice of Intent when it is published as a final rule in the May 20, 2025 issue of the *Louisiana Register*.

Please contact Joseph Wade Henry, Joseph.Henry@la.gov if you have any questions or require additional information about this matter.

Cc: Kimberly Sullivan, Medicaid Director, LDH
Brian Bennett, Medicaid Deputy Director, LDH
Charlene Julien, Medicaid Deputy Director, LDH
Christopher Chase, Medicaid Manager, LDH
Catherine Brindley, Medicaid Manager, LDH
Bethany Blackson, Chief of Staff, LDH
Andrea Trantham, *Louisiana Administrative Code* Editor, Office of the State Register

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 RULE TITLE: Medicaid Purchase Plan Recipient Eligibility

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT 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 NONGOVERNMENTAL 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.

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Patrice Thomas
Deputy Fiscal Officer
Legislative Fiscal Office