NOTICE OF INTENT

Department of Health
Bureau of Health Services Financing

Medicaid Eligibility
Former Foster Care Adolescents
(LAC 50:III.2308)

The Department of Health, Bureau of Health Services Financing proposes to amend LAC 50:III.2308 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.

In compliance with the requirements of the Affordable Care Act of 2010 (ACA), the Department of Health and Hospitals, Bureau of Health Services Financing adopted provisions to establish a new Medicaid eligibility group to provide Medicaid coverage to former foster care adolescents from age 18 to 26 who are transitioning out of foster care (*Louisiana Register,* Volume 40, Number 11). The ACA also provided an option approved by the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS) to allow states to provide coverage to youth who were formerly Medicaid-enrolled children in foster care under the responsibility of another state. The department now proposes to amend the provisions governing former foster care adolescents in order to terminate the CMS-approved

state option to provide Medicaid coverage to youth formerly enrolled in foster care under the responsibility of another state.

Title 50

PUBLIC HEALTH—MEDICAL ASSISTANCE
Part III. Eligibility
Subpart 3. Eligibility Groups and Factors

Chapter 23. Eligibility Groups and Medicaid Programs

§2308. Former Foster Care Adolescents

A. Pursuant to the Patient Protection and Affordable Care Act of 2010 (collectively referred to as the Affordable Care Act), the Department of Health implemented a Medicaid eligibility group, effective December 31, 2013, to provide health care coverage to youth who are transitioning out of foster care to self-sufficiency upon reaching age 18 or at a higher age selected by the department. This eligibility group is called former foster care adolescents.

B. Eligibility Requirements. Youth who age out of foster care in Louisiana and meet all of the following requirements may receive Medicaid health care coverage under this eligibility group.

1. The youth must be from age 18 up to age 26.

2. The youth must have been in foster care and in Louisiana state custody, and receiving Medicaid upon turning age

18 or upon aging out of foster care at a higher age selected by the department.

B.3. – E.4. ...

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 40:2260 (November 2014), amended by the Department of Health, Bureau of Health Services Financing, LR 43:

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.

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 may have a negative impact on family functioning, stability or autonomy as described in R.S. 49:972 by increasing the financial burden for health care costs for families of former foster care adolescents who no longer meet Medicaid eligibility requirements.

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 may have a negative impact on child, individual, or family poverty in relation to individual or community asset development as described in R.S. 49:973 by increasing the financial burden for former foster care adolescents who no longer meet Medicaid eligibility 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 and no direct or indirect cost to the provider to provide the same level of service. These provisions 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 Jen Steele, Bureau of Health Services Financing, P.O. Box 91030, Baton Rouge, LA 70821—9030 or by email to MedicaidPolicy@la.gov. Ms. Steele is responsible for responding to inquiries regarding this proposed Rule. A public hearing on this proposed Rule is scheduled for Thursday, May 25, 2017 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.

Rebekah E. Gee MD, MPH

Secretary

FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES

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Rule Title: Medicaid Eligibility
Former Foster Care Adolescents

Date Rule Takes Effect: July 20, 2017

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 costs of $270 for FY 16-17 and programmatic savings of $209,789 for FY 17-18 and $222,785 FY 18-19. It is anticipated that $540 ($270 SGF and $270 FED) will be expended in FY 16-17 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 63.34 percent in FY 17-18 and 18-19.

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 $270 for FY 16-17 and reduce federal revenue collections by approximately $362,468 for FY 17-18 and $384,922 for FY 18-19. It is anticipated that $270 will be expended in FY 16-17 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 63.34 percent in FY 17-18 and 18-19.

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

This proposed Rule amends the provisions governing the coverage of former foster care adolescents in order to terminate the CMS-approved state option to provide Medicaid coverage to youth formerly enrolled in foster care under the responsibility of another state. It is anticipated that implementation of this proposed rule will reduce programmatic expenditures for former foster care adolescents who have aged out of foster care by approximately $572,257 for FY 17-18 and $607,707 for FY 18-19.

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.

Signature of Agency Head or Designee	Evan Brasseaux, Staff Director Legislative Fiscal Officer or Designee
Jen Steele, Medicaid Director Typed name and Title of Agency Head or Designee	4/10/17 Date of Signature
Bhashar Jood LDH/BHSF Budget Head	04/10/17 Date of Signature

FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES

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 amends the provisions governing the coverage of former foster care adolescents in order to terminate the CMS-approved state option to provide Medicaid coverage to youth formerly enrolled in foster care under the responsibility of another state.

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

In compliance with the requirements of the Affordable Care Act of 2010 (ACA), the Department of Health and Hospitals, Bureau of Health Services Financing adopted provisions to establish a new Medicaid eligibility group to provide Medicaid coverage to former foster care adolescents from age 18 to 26 who are transitioning out of foster care (Louisiana Register, Volume 40, Number 11). The ACA also provided an option approved by the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS) to allow states to provide coverage to youth who were formerly Medicaid-enrolled children in foster care under the responsibility of another state. The department now proposes to amend the provisions governing former foster care adolescents in order to terminate the CMS-approved state option to provide Medicaid coverage to youth formerly enrolled in foster care under the responsibility of another state.

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.

This proposed rule will result in an increase in costs of $540 for FY 16-17 and a reduction in programmatic expenditures by approximately $572,257 for FY 17-18 and $607,707 for FY 18-19. In FY 16-17, $540 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) _____ If no, provide justification as to why this rule change should be published at this time.

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?

COST	FY 16-17	FY 17-18	FY 18-19
PERSONAL SERVICES			
OPERATING EXPENSES	$540	$0	$0
PROFESSIONAL SERVICES			
OTHER CHARGES	$0	($572,257)	($607,707)
REPAIR & CONSTR.			
POSITIONS (#)			
TOTAL	$540	($572,257)	($607,707)

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 for FY 16-17 and decreases in FY 17-18 and FY 18-19. In FY 16-17, $540 is included 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.

Source	FY 16-17	FY 17-18	FY 18-19
STATE GENERAL FUND	$270	($209,789)	($222,785)
SELF-GENERATED			
FEDERAL FUND	$270	($362,468)	($384,922)
OTHER (Specify)			
Total	$540	($572,257)	($607,707)

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.

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?

REVENUE INCREASE/DECREASE	**FY 16-17**	**FY 17-18**	**FY 18-19**
STATE GENERAL FUND			
AGENCY SELF-GENERATED			
RESTRICTED FUNDS*			
FEDERAL FUNDS	$270	($362,468)	($384,922)
LOCAL FUNDS			
Total	$270	($362,468)	($384,922)

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 programmatic expenditures for the Medicaid program in FY 16-17 and decreases in FY 17-18 and FY 18-19. In FY 16-17, $270 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 amends the provisions governing former foster care adolescents in order to terminate the CMS-approved state option to provide Medicaid coverage to youth formerly enrolled in foster care under the responsibility of another state.

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 reduce programmatic expenditures for inpatient hospital services by approximately $572,257 for FY 17-18 and $607,707 for FY 18-19.

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.