NOTICE OF INTENT

Department of Health and Hospitals
Bureau of Health Services Financing

Medicaid Expansion under the Affordable Care Act
(LAC 50:I.Chapter 101-103)

The Department of Health and Hospitals, Bureau of Health Services Financing proposes to adopt LAC 50:I.Chapter 101-103 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.

The Patient Protection and Affordable Care Act (P.L. No. 111-148), hereafter referred to as the Affordable Care Act (ACA), and §1937 of Title XIX of the Social Security Act (SSA) provides states with the option to expand Medicaid coverage to individuals from age 19 to 65 years old at or below 133 percent of the Federal Poverty Level with a 5 percent income disregard as provided in 42 CFR 435.119, hereafter referred to as the new adult group.

Under the provisions of §1937 of the SSA, state Medicaid programs have the option to provide enrollees with “benchmark” or “benchmark-equivalent” coverage based on one of three commercial insurance products, or a fourth Secretary-approved coverage option which can include the Medicaid State Plan benefit package offered in their state. “Benchmark” benefits are those that are at least equal to one of the statutorily specified benchmark plans, and “benchmark-equivalent” are those benefits that include certain specified

services, and the overall benefits are at least actuarially equivalent to one of the statutorily specified benchmark coverage packages. Federal regulations under ACA also stipulate that the packages must cover essential health benefits as designated in §1302(b) of ACA which includes ten specific benefit categories.

The U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS) has directed states that wish to expand Medicaid coverage to the new adult group to submit State Plan amendments (SPAs) to secure approval for implementation. In compliance with CMS' directive and federal regulations, the Department of Health and Hospitals, Bureau of Health Services Financing proposes to adopt provisions in the Medicaid Program to: 1) expand Medicaid coverage to individuals from age 19 to 65 years old at or below 133 percent of the Federal Poverty Level with a 5 percent income disregard as provided in 42 CFR 435.119; 2) implement a Secretary-approved coverage option which incorporates the benefits and services covered under the Medicaid State Plan, including the essential health benefits as provided in §1302(b) of ACA; 3) use the Basic Blue Cross/Blue Shield Preferred Provider Option offered through the Federal Employees Health Benefit program as the state's benchmark benefit package; and 4) establish provisions for the use of the Supplemental Nutrition Assistance Program (SNAP) option for streamlined enrollment of SNAP recipients who meet eligibility requirements for the new adult group. The department will submit the corresponding SPAs to CMS upon meeting the technical requirements

for public notice and undergoing the federally-approved tribal consultation process.

The department hereby proposes to adopt provisions in the Medicaid Program to expand Medicaid coverage to the new adult group, and to establish these provisions in Title 50, Part I of the *Louisiana Administrative Code*. This proposed Rule is also being promulgated to satisfy federal public notice requirements.

Title 50
PUBLIC HEALTH—MEDICAL ASSISTANCE
Part I. Administration

Subpart 11. Medicaid Expansion under the Affordable Care Act

Chapter 101. Alternative Benefit Plan

§10101. General Provisions

A. Pursuant to the Patient Protection and Affordable Care Act (P.L. No. 111-148), hereafter referred to as the Affordable Care Act (ACA), and §1937 of Title XIX of the Social Security Act, the department shall expand Medicaid coverage to individuals from age 19 to 65 years old at or below 133 percent of the Federal Poverty Level with a 5 percent income disregard as provided in 42 CFR 435.119, hereafter referred to as the new adult group.

B. Effective July 1, 2016, the department will expand Medicaid coverage to the new adult group, as defined in §1905(y)(2)(A) of Title XIX of the Social Security Act, and provide a Secretary-approved coverage option, hereafter referred to as the Alternative Benefit Plan (ABP), which incorporates the benefits and services covered under the Medicaid State Plan, including the

essential health benefits as provided in §1302(b) of ACA. The department will utilize a federally-approved benchmark benefit package to ensure that the ABP includes benefits that are appropriate to meet the needs of the new adult group.

1. *Benchmark*-coverage is based on benefits that are at least equivalent to one of the federally statutorily specified benchmark plans.

C. The Basic Blue Cross/Blue Shield Preferred Provider Option offered through the Federal Employees Health Benefit program (FEHBP) will be the benchmark plan used to design the ABP for the state.

D. The ABP shall provide coverage of essential health benefits pursuant to federal regulations in §1302(b) of ACA.

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 42:

§10103. Benefits and Services

A. Minimum Essential Health Benefits. Pursuant to §1302(b) of ACA, the ABP must provide the new adult group with a benchmark benefit or benchmark-equivalent benefit package that includes the required minimum essential health benefits (EHBs) provided in Affordable Insurance Exchanges. There are 10 benefit categories and some of the categories include more than one type of benefit. The following services are considered EHBs:

1. ambulatory patient services;

2. emergency services;

3. hospitalization;

4. maternity and newborn care;

5. mental health and substance use disorder services, including behavioral health treatment:

a. These services shall be in accordance with the Mental Health Parity and Addiction Equity Act (MHPAEA) of 2008.

6. prescription drugs;

7. rehabilitative and habilitative services and devices;

8. laboratory services;

9. preventive services and chronic disease management; and

10. pediatric services, including oral and vision care:

a. The requirements of this service category are met through the Early and Periodic Screening, Diagnosis and Treatment Program.

B. Enrollees shall receive the full range of benefits and services covered under the ABP State Plan Amendment. The ABP package will incorporate the benefits and services covered under the Medicaid State Plan, including the essential health benefits as provided in §1302(b) of ACA.

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 42:

Chapter 103. Supplemental Nutrition Assistance Program Enrollment Option

§10301. General Provisions

A. Effective July 1, 2016, the department may use the Supplemental Nutrition Assistance Program (SNAP) option for streamlined enrollment of SNAP recipients who meet eligibility requirements for the new adult group.

B. In the event the SNAP enrollment option is used, the Medicaid program will not conduct a separate Modified Adjusted Gross Income (MAGI) based income determination on SNAP participants. The department will utilize the gross income determination provided by SNAP to make the financial eligibility determination.

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 42:

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 positive impact on family functioning, stability or

autonomy as described in R.S. 49:972 by expanding Medicaid coverage to a new targeted adult eligibility group.

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 positive impact on child, individual, or family poverty in relation to individual or community asset development as described in R.S. 49:973 by reducing the financial burden for health care costs for certain families who may qualify under the newly eligible adult group.

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 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, March 31, 2016 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