

**NOTICE OF INTENT**

**Department of Health  
Bureau of Health Services Financing**

**Medicaid Eligibility  
Medicare Savings Programs  
(LAC 50:III.10703 and 10705)**

The Department of Health, Bureau of Health Services Financing proposes to amend LAC 50:III.10703 and §10705 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 Administrative Procedure Act, R.S. 49:950 et seq.

The Department of Health, Bureau of Health Services Financing currently utilizes the income and asset methodologies of the Supplemental Security Income (SSI) Program to determine Medicaid eligibility of aged, blind and disabled individuals applying for coverage under the Medicare Savings Programs (MSP). Under Section 1902(r)(2) of the Social Security Act, states are allowed to use less restrictive income and asset methodologies in determining eligibility for most Medicaid eligibility groups than are used by the cash assistance program. The department proposes to amend the provisions governing financial eligibility in the Medical Assistance Program in order to disregard all resources of aged, blind and disabled individuals in all MSP eligibility determinations.

**TITLE 50**

**PUBLIC HEALTH—MEDICAL ASSISTANCE  
Part III. Eligibility  
Subpart 5. Financial Eligibility**

**Chapter 107. Resources**

**§10703. General Provisions**

A. - C.1.b. ...

2. - 2.a. Repealed.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 36:2867  
(December 2010), amended by the Department of Health, Bureau of  
Health Services Financing, LR 45:

**§10705. Resource Disregards**

A. - B.1. ...

C. All resources shall be disregarded in eligibility  
determinations for all Medicare Savings Programs.

1. - 2. Repealed.

D. ...

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 and the  
Office of Aging and Adult Services, LR 35:1899 (September 2009),

amended LR 36:2867 (December 2010), LR 41:949 (May 2015), amended by the Department of Health, Bureau of Health Services Financing, LR 45:

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 no impact on family functioning, stability and autonomy as described in R.S. 49:972.

**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 no impact on child, individual, or family poverty in relation to individual or community asset development as described in R.S. 49:973.

**Small Business Analysis**

In compliance with Act 820 of the 2008 Regular Session of the Louisiana Legislature, 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, as described in R.S. 49:965.2 et seq.

#### **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 no 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 Jen Steele, Bureau of Health Services Financing, P.O. Box 91030, Baton Rouge, LA 70821-9030. Ms. Steele is responsible for responding to inquiries regarding this proposed Rule. The deadline for submitting written comments is at 4:30 p.m. on October 30, 2019.

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 October 10, 2019. If the criteria set forth in R.S. 49:953(A)(2)(a) are satisfied, LDH will conduct a public hearing at 9:30 a.m. on October 30, 2019 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 October 10, 2019. 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. In the event of a hearing, parking is available to the public in the Galvez Parking Garage which is located between North Sixth and North Fifth/North and Main Streets (cater-corner from the Bienville Building). Validated parking for the Galvez Garage may be available to public hearing attendees when the parking ticket is presented to LDH staff at the hearing.

Rebekah E. Gee MD, MPH

Secretary

FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES

Person  
Preparing

Statement: Veronica Dent  
Phone: 342-3238

Dept.: Health  
Office: Bureau of Health Services  
Financing

Return P.O. Box 91030  
Address: Baton Rouge, LA

Rule Title: Medicaid Eligibility  
Medicare Savings Program

Date Rule Takes Effect: December 20, 2019

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 programmatic costs of approximately \$57,767 for FY 19-20, \$351,103 for FY 20-21 and \$676,090 for FY 21-22. It is anticipated that \$540 (\$270 SGF and \$270 FED) will be expended in FY 19-20 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 66.40 percent in FY 19-20, 67.35 percent in FY 20-21 and 67.35 percent FY 21-22.*

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

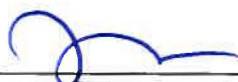
*It is anticipated that the implementation of this proposed Rule will increase federal revenue collections by approximately \$113,896 for FY 19-20, \$724,250 for FY 20-21 and \$1,394,630 for FY 21-22. It is anticipated that \$270 will be collected in FY 19-20 for the federal share of the expense for 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 66.40 percent in FY 19-20, 67.35 percent in FY 20-21 and 67.35 percent FY 21-22.*

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

*This proposed rule amends the provisions governing financial eligibility in the Medical Assistance Program in order to disregard all resources of aged, blind and disabled individuals in eligibility determinations for all Medicare Savings Programs (MSP), as provided for under Section 1902(r)(2) of the Social Security Act. Individuals that meet the criteria for MSP coverage will benefit from implementation of this proposed Rule since none of their resources will be considered in the eligibility determination process. It is anticipated that implementation of this proposed rule will result in programmatic costs to the Medicaid program of \$171,123 in FY 19-20, \$1,075,352 in FY 20-21 and \$2,070,720 in FY 21-22.*

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

*This rule has no known effect on competition and employment.*

  
\_\_\_\_\_  
Signature of Agency Head  
or Designee

Jen Steele, Medicaid Director  
\_\_\_\_\_  
Typed name and Title of  
Agency Head or Designee

  
\_\_\_\_\_  
LDH/BHSF Budget Head

  
\_\_\_\_\_  
Legislative Fiscal Officer  
or Designee

9/10/19  
\_\_\_\_\_  
Date of Signature

09/10/19  
\_\_\_\_\_  
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 financial eligibility in the Medical Assistance Program in order to disregard all resources of aged, blind and disabled individuals in eligibility determinations for all Medicare Savings Programs (MSP), as provided for under Section 1902(r)(2) of the Social Security Act.*

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

*The Department of Health, Bureau of Health Services Financing currently utilizes the income and asset methodologies of the Supplemental Security Income (SSI) Program to determine Medicaid eligibility of aged, blind and disabled individuals applying for coverage under the Medicare Savings Programs (MSP). Under Section 1902(r)(2) of the Social Security Act, states are allowed to use less restrictive income and asset methodologies in determining eligibility for most Medicaid eligibility groups than are used by the cash assistance program. The department proposes to amend the provisions governing financial eligibility in the Medical Assistance Program in order to disregard all resources of aged, blind and disabled individuals in all MSP eligibility determinations.*

- 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.

*Yes. It is anticipated that implementation of this proposed rule will result in programmatic costs to the Medicaid program of \$171,663 in FY 19-20, \$1,075,352 in FY 20-21 and \$2,070,720 in FY 21-22. In FY 19-20, \$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.

*Act 10 of the 2019 Regular Session of the Louisiana Legislature allocated funds to the Medical Vendor Program for payments to providers and the operation of the Medicaid Program, and thereby, authorizes the expenditure of these funds. This proposed Rule will implement a less restrictive methodology for determining eligibility of aged, blind and disabled individuals seeking coverage through the Medicare Savings Programs.*

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 19-20	FY 20-21	FY 21-22
PERSONAL SERVICES			
OPERATING EXPENSES	\$540	\$0	\$0
PROFESSIONAL SERVICES			
OTHER CHARGES	\$171,123	\$1,075,352	\$2,070,720
REPAIR & CONSTR.			
POSITIONS (#)			
<b>TOTAL</b>	<b>\$171,663</b>	<b>\$1,075,352</b>	<b>\$2,070,720</b>

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 programmatic expenditures in the Medicaid program. In FY 19-20, \$540 will be spent 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 19-20	FY 20-21	FY 21-22
STATE GENERAL FUND	\$57,767	\$351,103	\$676,090
SELF-GENERATED			
FEDERAL FUND	\$113,896	\$724,250	\$1,394,630
OTHER (Specify)			
<b>Total</b>	<b>\$171,663</b>	<b>\$1,075,352</b>	<b>\$2,070,720</b>

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.*

FISCAL AND ECONOMIC IMPACT STATEMENT  
WORKSHEET

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 19-20	FY 20-21	FY 21-22
STATE GENERAL FUND			
AGENCY SELF-GENERATED			
RESTRICTED FUNDS*			
FEDERAL FUNDS	\$113,896	\$724,250	\$1,394,630
LOCAL FUNDS			
<b>Total</b>	<b>\$113,896</b>	<b>\$724,250</b>	<b>\$1,394,630</b>

**\*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 19-20, \$270 will be collected for the federal share of the administrative 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 financial eligibility in the Medical Assistance Program in order to disregard all resources of aged, blind and disabled individuals in eligibility determinations for all Medicare Savings Programs (MSP), as provided for under Section 1902(r) (2) of the Social Security Act.*

- B. Also, provide an estimate of any revenue impact resulting from this rule or rule change to these groups.

*Individuals that meet the criteria for MSP coverage will benefit from implementation of this proposed Rule since none of their resources will be considered in the eligibility determination process. It is anticipated that implementation of this proposed rule will result in programmatic costs to the Medicaid program of \$171,123 in FY 19-20, \$1,075,352 in FY 20-21 and \$2,070,720 in FY 21-22.*

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.

*This rule has no known effect on competition and employment.*