

1	<b>09-306 MEDICAL VENDOR PAYMENTS</b>	
2	EXPENDITURES:	
3	Payments to Private Providers - Authorized Positions (0)	
4	Nondiscretionary Expenditures	\$4,475,777,319
5	Discretionary Expenditures	\$4,504,774,679
6	<b>Program Description:</b> <i>Provides payments to private providers of health care</i>	
7	<i>services to Louisiana residents who are eligible for Title XIX (Medicaid), while</i>	
8	<i>ensuring that reimbursements to providers of medical services to Medicaid</i>	
9	<i>recipients are appropriate.</i>	
10	Payments to Public Providers - Authorized Positions (0)	
11	Nondiscretionary Expenditures	\$ 88,080,636
12	Discretionary Expenditures	\$ 127,415,229
13	<b>Program Description:</b> <i>Provides payments to public providers of health care</i>	
14	<i>services to Louisiana residents who are eligible for Title XIX (Medicaid), while</i>	
15	<i>ensuring that reimbursements to providers of medical services to Medicaid</i>	
16	<i>recipients are appropriate.</i>	
17	Medicare Buy-Ins & Supplements - Authorized Positions (0)	
18	Nondiscretionary Expenditures	\$ 471,154,777
19	Discretionary Expenditures	\$ 0
20	<b>Program Description:</b> <i>Provides medical insurance for eligible Medicaid and</i>	
21	<i>CHIP enrollees through the payment of premiums to other entities. This avoids</i>	
22	<i>potential additional Medicaid costs for those eligible individuals who cannot afford</i>	
23	<i>to pay their own "out-of-pocket" Medicare costs.</i>	
24	Uncompensated Care Costs - Authorized Positions (0)	
25	Nondiscretionary Expenditures	\$ 0
26	Discretionary Expenditures	<u>\$ 588,154,942</u>
27	<b>Program Description:</b> <i>Payments to inpatient and outpatient medical care</i>	
28	<i>providers serving a disproportionately large number of uninsured and low-income</i>	
29	<i>individuals. Hospitals are reimbursed for their uncompensated care costs</i>	
30	<i>associated with the free care which they provide.</i>	
31	TOTAL EXPENDITURES	<u>\$10,255,357,582</u>
32	MEANS OF FINANCE (NONDISCRETIONARY):	
33	State General Fund (Direct)	\$1,148,640,193
34	State General Fund by:	
35	Statutory Dedications:	
36	Louisiana Medical Assistance Trust Fund	\$ 247,900,000
37	Tobacco Tax Medicaid Match Fund	\$ 99,421,345
38	Medicaid Trust Fund for the Elderly	\$ 24,909,431
39	Federal Funds	<u>\$3,514,141,763</u>
40	TOTAL MEANS OF FINANCING (NONDISCRETIONARY)	<u>\$5,035,012,732</u>

1	MEANS OF FINANCE (DISCRETIONARY):	
2	State General Fund (Direct)	\$ 1,307,190,404
3	State General Fund by:	
4	Interagency Transfers from Prior and	
5	Current Year Collections	\$ 30,573,960
6	Fees & Self-generated Revenues from	
7	Prior and Current Year Collections	\$ 225,840,025
8	Statutory Dedications:	
9	Health Excellence Fund	\$ 29,468,427
10	Health Trust Fund	\$ 11,118,476
11	Tobacco Tax Medicaid Match Fund	\$ 7,978,655
12	Louisiana Fund	\$ 4,804,902
13	Community and Family Support System Fund	\$ 63
14	Federal Funds	<u>\$ 3,603,369,938</u>

15                   TOTAL MEANS OF FINANCING (DISCRETIONARY)                   \$ 5,220,344,850

16           Expenditure Controls:  
 17           Provided, however, that the Department of Health and Hospitals may, to control  
 18           expenditures to the level appropriated herein for the Medical Vendor Payments program,  
 19           negotiate supplemental rebates for the Medicaid pharmacy program in conjunction with the  
 20           preferred drug list. In these negotiations, the preferred drug list may be adjusted to limit  
 21           brand name drug products in each therapeutic category while ensuring appropriate access  
 22           to medically necessary medication.

23           Provided, however, that the Department of Health and Hospitals shall continue with the  
 24           implementation of cost containment strategies to control the cost of the New Opportunities  
 25           Waiver (NOW) in order that the continued provision of community-based services for  
 26           citizens with developmental disabilities is not jeopardized.

27           Provided, however, that the Department of Health and Hospitals shall authorize expenditure  
 28           of funds for additional Rural Health Clinics and Federally Qualified Health Centers only in  
 29           those areas which the department determines have a demonstrated need for clinics.

30           Provided, however, that the Department of Health and Hospitals shall only make Title XIX  
 31           payments to public private partners in accordance with its initial budget allocation after  
 32           appropriation by this body.

33           Public provider participation in financing:  
 34           The Department of Health and Hospitals hereinafter the "department", shall only make Title  
 35           XIX (Medicaid) claim payments to non-state public hospitals, that certify matching funds  
 36           for their Title XIX claim payments and provide certification of incurred uncompensated care  
 37           costs (UCC) that qualify for public expenditures which are eligible for federal financial  
 38           participation under Title XIX of the Social Security Act to the department. The certification  
 39           for Title XIX claims payment match and the certification of UCC shall be in a form  
 40           satisfactory to the department and provided to the department no later than October 1, 2016.  
 41           Non-state public hospitals, that fail to make such certifications by October 1, 2016, may not  
 42           receive Title XIX claim payments or any UCC payments until the department receives the  
 43           required certifications. The Department may exclude certain non-state public hospitals from  
 44           this requirement in order to implement alternative supplemental payment initiatives or  
 45           alternate funding initiatives, or if a hospital that is solely owned by a city or town has  
 46           changed its designation from a non-profit private hospital to a non-state public hospital  
 47           between January 1, 2010 and June 30, 2014.

1	BY EXPENDITURE CATEGORY:	
2	Personal Services	\$ 0
3	Operating Expenses	\$ 0
4	Professional Services	\$ 0
5	Other Charges	\$10,664,725,780
6	Acquisitions/Major Repairs	<u>\$ 0</u>

7 TOTAL BY EXPENDITURE CATEGORY \$10,664,725,780

8 Payable out of the State General Fund by  
 9 Statutory Dedications out of the Hospital  
 10 Stabilization Fund to the Payments to Private  
 11 Providers Program in the event House  
 12 Concurrent Resolution No. 51 of the 2016  
 13 Regular Session of the Legislature is enacted  
 14 and in the event monies in the fund are recognized  
 15 by the Revenue Estimating Conference \$ 12,453,050

16 The commissioner of administration is hereby authorized and directed to adjust the means  
 17 of financing for the Payments to Private Providers Program in this agency by reducing the  
 18 appropriation out of the State General Fund (Direct) by \$12,453,050 in the event House  
 19 Concurrent Resolution No. 51 of the 2016 Regular Session of the Legislature is enacted and  
 20 monies in the Hospital Stabilization Fund are recognized by the Revenue Estimating  
 21 Conference.

22 EXPENDITURES:  
 23 Payments to Private Providers Program for  
 24 reimbursement rate increases for hospitals, in  
 25 the event that monies in the fund are recognized  
 26 by the Revenue Estimating Conference \$ 25,305,755

27 TOTAL EXPENDITURES \$ 25,305,755

28 MEANS OF FINANCE:  
 29 State General Fund by:  
 30 Statutory Dedications:  
 31 Hospital Stabilization Fund \$ 9,550,392  
 32 Federal Funds \$ 15,755,363

33 TOTAL MEANS OF FINANCING \$ 25,305,755

34 Provided, however, that of the total appropriated out of the State General Fund (Direct) in  
 35 this agency, the amount of \$17,000,000 for the thirteenth managed care payment in Fiscal  
 36 Year 2016-2017 shall only be available for expenditure when the Department of Revenue  
 37 prevails in the suit, appeal, or petition associated with the legislative instrument which  
 38 originated as House Concurrent Resolution No. 8 of the 2015 Regular Session of the  
 39 Legislature and transfers the amount paid in protest and held in escrow in accordance with  
 40 R.S. 47:1576 to the State General Fund, and in the event the monies are recognized by the  
 41 Revenue Estimating Conference, to be utilized to fund the thirteenth managed care payment.

## LOUISIANA MEDICAID PROGRAM

Table-1: Revenue Forecast - Means of Finance - SFY 2016/17

See "Notes" Page 6

Financing Category	Budget Appropriation (1.1)	Forecast Revenue Collections	Over / (Under)	Percent Difference
	A	B	C = B - A	D = (C/A)*100
State General Fund	2,109,238,041	2,109,238,041	0	0.0
Interagency Transfers	35,573,960	30,573,960	(5,000,000)	(14.1)
Self Generated Revenue	332,224,531	332,224,531	0	0.0
Statutory Dedications	776,594,020	776,594,020	0	0.0
State Total	3,253,630,552	3,248,630,552	(5,000,000)	(0.2)
Federal	7,140,713,613	7,140,713,613	0	0.0
Total Means of Finance	10,394,344,165	10,389,344,165	(5,000,000)	(0.0)
Contingency State General Fund	17,000,000	0	(17,000,000)	(100.0)
Revised Means of Finance	10,411,344,165	10,389,344,165	(22,000,000)	(0.2)

Table-2: Expenditure Forecast by Budget Program - SFY 2016/17

Program	Budget Appropriation (1.1)	Current Forecast (2)	(Over) / Under	Percent Difference
	A	B	C = A - B	D = (C/A)*100
Private Providers	8,749,228,826	9,102,184,263	(352,955,437)	(4.0)
Public Providers	215,495,865	192,768,098	22,727,767	10.5
Buy-Ins & Supplements	471,154,777	464,039,870	7,114,907	1.5
Uncompensated Care	958,464,697	943,464,697	15,000,000	1.6
Total Program	\$10,394,344,165	\$10,702,456,928	(\$308,112,763)	(3.0)
Contingency Private Providers	17,000,000	0	17,000,000	100.0
Revised Total Program	\$10,411,344,165	\$10,702,456,928	(\$291,112,763)	(2.8)