

NOTICE OF INTENT

Department of Health and Hospitals
Bureau of Health Services Financing

Greater New Orleans Community Health Connection
Waiver Termination
(LAC 50:XXII.Chapters 61-69)

The Department of Health and Hospitals, Bureau of Health Services Financing proposes to repeal LAC 50:XXII.Chapters 61-69 in the Medical Assistance Program as authorized by R.S. 36:254 and pursuant to Title XIX of the Social Security Act on July 1, 2016 or upon the implementation of Medicaid expansion under the provisions of the Affordable Care Act (ACA). This proposed Rule is promulgated in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq.

The Department of Health and Hospitals, Bureau of Health Services Financing adopted provisions to establish a demonstration program under the authority of a Section 1115 Waiver, called the Greater New Orleans Community Health Connection (GNOCHC) Waiver to ensure continued access to primary and behavioral health care services that were restored and expanded in the greater New Orleans area post Hurricanes Katrina and Rita (*Louisiana Register*, Volume 38, Number 3).

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) provided states with the flexibility to expand Medicaid coverage to a new mandatory

adult group not currently eligible for Medicaid benefits by designing alternative Medicaid benefit packages under their Medicaid State Plan. There are many options available to states in selecting an Alternative Benefit Plan (ABP) and designing an enhanced benefits package to cover targeted populations to appropriately meet their needs.

The U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS) has directed states who wish to expand Medicaid coverage under the provisions of ACA to submit State Plan amendments (SPAs) to secure approval to implement Medicaid expansion. 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 expand Medicaid coverage to the newly eligible 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.

In light of the expansion of Medicaid coverage in the Medicaid Program, the department has determined that it is necessary to terminate coverage under the GNOCHC Waiver and transition these individuals to coverage under the ABP. Hence, the department hereby proposes to repeal the provisions governing the GNOCHC Waiver in order to terminate coverage under the §1115 waiver authority, effective July 1, 2016 or upon the implementation of Medicaid expansion under the provisions of the Affordable Care Act (ACA).

Title 50
PUBLIC HEALTH—MEDICAL ASSISTANCE
Part XXII. 1115 Demonstration Waivers

Subpart 7. Greater New Orleans Community Health Connection Waiver

Chapter 61. General Provisions

§6101. Purpose

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 38:820 (March 2012), repealed LR 42:

§6103. Program Design

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 38:820 (March 2012), repealed LR 42:

Chapter 63. Eligibility

§6301. General Provisions

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 38:820 (March 2012), repealed LR 42:

§6303. Recipient Qualifications

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 38:820 (March 2012), LR 39:3297 (December 2013), repealed LR 42:

Chapter 65. Services

§6501. Covered Services

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 38:821 (March 2012), repealed LR 42:

§6503. Service Delivery

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 38:821 (March 2012), repealed LR 42:

Chapter 67. Provider Participation

§6701. General Provisions

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 38:821 (March 2012), repealed LR 42:

§6703. Reporting Requirements

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 38:822 (March 2012), repealed LR 42:

Chapter 69. Reimbursement

§6901. General Provisions

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 38:822 (March 2012), repealed LR 42:

§6903. Reimbursement Methodology

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 38:822 (March 2012), LR 39:3297 (March 2013), repealed 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 will have no impact on family functioning, stability or autonomy as described in R.S. 49:972 since GNOCHC waiver recipients will be transitioned to coverage under Medicaid expansion.

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 since GNOCHC waiver recipients will be transitioned to coverage under Medicaid expansion.

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

FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES

Person
Preparing
Statement: Dee Budgewater Dept.: Health and Hospitals
Phone: 342-1325 Office: Bureau of Health Services
Financing

Return P.O. Box 91030
Address: Baton Rouge, LA Rule Title: Greater New Orleans Community
Health Connection - Waiver
Termination

Date Rule Takes Effect: July 1, 2016

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 programmatic savings of \$0 in FY 15-16, \$6,823,585 for FY 16-17 and \$1,165,831 for FY 17-18. It is anticipated that \$756 (\$378 SGF and \$378 FED) will be expended in FY 15-16 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 62.17 percent in FY 15-16 and 62.26 percent in FY 16-17.

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

It is anticipated that the implementation of this proposed rule will reduce federal revenue collections by approximately \$0 for FY 15-16, \$11,256,926 for FY 16-17 and \$1,923,281 for FY 17-18. It is anticipated that \$378 will be expended in FY 15-16 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 62.26 percent in FY 17-19.

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

This proposed rule repeals the provisions governing the Greater New Orleans Community Health Connection (GNOCHC) Waiver in order to terminate this optional Medicaid program. The terms and conditions of the GNOCHC Waiver require termination of the waiver concurrent with the implementation of Medicaid coverage for the new adult group provided by the Affordable Care Act. It is anticipated that implementation of this proposed rule will reduce programmatic expenditures in the Medicaid Program by approximately \$0 for FY 15-16, \$18,080,511 for FY 16-17 and \$3,089,112 for FY 17-18.

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 Brassel, Staff Director

Legislative Fiscal Officer
or Designee

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

2/10/16

Date of Signature



DHH/BHSF Budget Head

02/10/16

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 repeals the provisions governing the Greater New Orleans Community Health Connection (GNOCHC) Waiver in order to terminate this optional Medicaid program. The terms and conditions of the GNOCHC Waiver require termination of the waiver concurrent with the implementation of Medicaid coverage for the new adult group provided by the Affordable Care 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 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 flexibility to expand Medicaid coverage to a new mandatory adult group not currently eligible for Medicaid benefits by designing alternative Medicaid benefit packages under their Medicaid State Plan. There are many options available to states in selecting an Alternative Benefit Plan (ABP) and designing an enhanced benefits package to cover targeted populations to appropriately meet their needs.

The U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS) has directed states who wish to expand Medicaid coverage under the provisions of ACA to submit State Plan amendments (SPAs) to secure approval to implement Medicaid expansion. 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 expand Medicaid coverage to 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.

In light of the expansion of Medicaid coverage in the Medicaid Program, the department has determined that it is necessary to terminate coverage under the GNOCHC Waiver and transition these individuals to coverage under the ABP. Hence, the department hereby proposes to repeal the provisions governing the GNOCHC Waiver in order to terminate coverage under the §1115 waiver authority.

- 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.

No. This proposed rule will result in a reduction in programmatic expenditures in the Medicaid Program by approximately \$0 for FY 15-16, \$18,080,511 for FY 16-17 and \$3,089,112 for FY 17-18. In FY 15-16, \$756 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 15-16	FY 16-17	FY 17-18
PERSONAL SERVICES			
OPERATING EXPENSES	\$756	\$0	\$0
PROFESSIONAL SERVICES			
OTHER CHARGES	\$0	(\$18,080,511)	(\$3,089,112)
REPAIR & CONSTR.			
POSITIONS (#)			
TOTAL	\$756	(\$18,080,511)	(\$3,089,112)

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 reductions in expenditures in the Medicaid Program for GNOCHC Waiver services. In FY 15-16, \$756 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 15-16	FY 16-17	FY 17-18
STATE GENERAL FUND	\$378	(\$6,823,585)	(\$1,165,831)
SELF-GENERATED			
FEDERAL FUND	\$378	(\$11,256,926)	(\$1,923,281)
OTHER (Specify)			
Total	\$756	(\$18,080,511)	(\$3,089,112)

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 15-16	FY 16-17	FY 17-18
STATE GENERAL FUND			
AGENCY SELF-GENERATED			
RESTRICTED FUNDS*			
FEDERAL FUNDS	\$378	(\$11,256,926)	(\$1,923,281)
LOCAL FUNDS			
Total	\$378	(\$11,256,926)	(\$1,923,281)

**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 reductions in the federal share of Medicaid Program expenditures. In FY 15-16, \$378 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 repeals the provisions governing the Greater New Orleans Community Health Connection (GNOCHC) Waiver in order to terminate this optional Medicaid program. The terms and conditions of the GNOCHC Waiver require termination of the waiver concurrent with the implementation of Medicaid coverage for the new adult group provided by the Affordable Care Act.

- 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 in the Medicaid Program by approximately \$0 for FY 15-16, \$18,080,511 for FY 16-17 and \$3,089,112 for FY 17-18.

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 and employment.