

ACT No. 407

HOUSE BILL NO. 542

BY REPRESENTATIVES WALKER, ALARIO, ANDERS, ARNOLD, BADON, BARROW, BAUDOIN, BRUCE, K. CARTER, R. CARTER, CAZAYOUX, CROWE, CURTIS, DANIEL, DARTEZ, DOERGE, DORSEY, DOVE, DOWNS, DURAND, FANNIN, FARRAR, FAUCHEUX, FRITH, GALLOT, GRAY, ELBERT GUILLORY, HARRIS, HEATON, HEBERT, HILL, HONEY, HUNTER, JACKSON, JEFFERSON, KATZ, LAFLEUR, LAFONTA, MCDONALD, PIERRE, T. POWELL, QUEZAIRE, RICHMOND, RITCHIE, ROMERO, GARY SMITH, JACK SMITH, STRAIN, TOWNSEND, TRAHAN, TRICHE, WADDELL, WALSWORTH, WILLIAMS, WINSTON, AND WOOTON AND SENATORS AMEDEE, BAJOIE, BROOME, CHAISSON, CHEEK, CRAVINS, DUPLESSIS, DUPRE, ELLINGTON, FIELDS, B. GAUTREAUX, HEITMEIER, HINES, HOLLIS, JACKSON, JONES, MURRAY, NEVERS, QUINN, ROMERO, SCHEDLER, SMITH, THEUNISSEN, AND ULLO

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

1 AN ACT

2 To enact Part II of Chapter 8 of Title 46 of the Louisiana Revised Statutes of 1950, to be
3 comprised of R.S. 46:977.1 through 977.13, relative to the Louisiana Children and
4 Youth Health Insurance Program; to provide for a short title; to provide a purpose;
5 to provide definitions; to provide for the creation of the Louisiana Children and
6 Youth Health Insurance Program; to provide eligibility requirements; to provide for
7 the promulgation of rules; to provide for the enrollment process; to provide for
8 eligibility in the case of future federal legislation; to provide for health care benefits;
9 to provide for cost sharing requirements; to authorize the department to carry out
10 procedures in regard to premiums; to provide for the department's right to recovery;
11 to provide for amendments or waivers of federal requirements; to provide that
12 premium monies be credited to the Health Care Redesign Fund; and to provide for
13 related matters.

14 Be it enacted by the Legislature of Louisiana:

15 Section 1. Part II of Chapter 8 of Title 46 of the Louisiana Revised Statutes of 1950,
16 comprised of R.S. 46:977.1 through 977.13, is hereby enacted to read as follows:

1 PART II. THE LOUISIANA CHILDREN AND YOUTH
2 HEALTH INSURANCE PROGRAM

3 §977.1. Short title

4 This Part may be cited as the "Louisiana Children and Youth Health
5 Insurance Act" and may be referred to as the "Louisiana Children and Youth Health
6 Insurance Program".

7 §977.2. Purpose

8 The legislature hereby declares that for the economic and social benefits of
9 all residents of this state, it is important to ensure that children of the state have
10 access to affordable health insurance that offers comprehensive coverage and
11 emphasizes preventive health care. Many children in working families, including
12 families whose family income is greater than two hundred percent of the federal
13 poverty level, are uninsured. The lack of health insurance negatively affects the
14 health status of children. The legislature further finds that access to health care is a
15 key component for the healthy development of children and a successful education.
16 It is, therefore, the intent of the legislature to provide access to affordable health
17 insurance to children in Louisiana.

18 §977.3. Definitions

19 As used in this Part, the following definitions shall apply:

20 (1) "Child" means a person under the age of nineteen.

21 (2) "Department" means the Department of Health and Hospitals.

22 (3) "Medical assistance" means health care benefits provided through the
23 Louisiana Medicaid program or the Louisiana Children's Health Insurance Program,
24 hereafter referred to as LaCHIP.

25 (4) "Premium assistance" means a component of the Louisiana Children and
26 Youth Health Insurance Program under which the department pays on behalf of an
27 enrollee either part of or the entire premium of employer-sponsored or individual
28 health insurance coverage.

29 (5) "Program" means the Louisiana Children and Youth Health Insurance
30 Program.

1 (6) "Responsible party" means a parent or person legally responsible for the
2 welfare of a child.

3 (7) "Subsidized insurance" means a component of the program whereby the
4 state provides health insurance coverage to a child at a reduced premium rate to the
5 family.

6 §977.4. Louisiana Children and Youth Health Insurance Program; creation

7 The Louisiana Children and Youth Health Insurance Program is hereby
8 created. The program shall be administered by the department. The department
9 shall have the same powers and authority to administer the program as provided to
10 it in connection with the administration of the Louisiana Medicaid program and
11 LaCHIP. The department shall coordinate the program with the existing children's
12 health programs it operates.

13 §977.5. Eligibility requirements

14 A. To be eligible for this program, a child shall:

15 (1) Be ineligible for medical assistance under the Louisiana Medicaid
16 program or benefits under LaCHIP.

17 (2) Be in a family where the family income is between two hundred percent
18 and three hundred percent of the federal poverty level.

19 (3) Meet at least one of the following requirements:

20 (a) Be without health insurance for a period of time set forth in rules
21 promulgated by the department.

22 (b) Have a parent who has lost employment and health insurance, which
23 leaves the child without available, affordable dependent health insurance coverage,
24 until such time as affordable employer-sponsored dependent health insurance
25 coverage is again available for the child as set forth in rules promulgated by the
26 department. The department may take into account the affordability of dependent
27 health insurance when determining whether employer-sponsored dependent health
28 insurance coverage is available upon reemployment of a child's parent.

29 (c) Be a newborn whose responsible party does not have available,
30 affordable private or employer-sponsored health insurance.

1 (d) Have lost medical benefits under the Louisiana Medicaid program or
2 LaCHIP within one year of applying for coverage under this Part.

3 B. A child who is determined to be eligible for the program shall remain
4 eligible for twelve months.

5 C. A child shall not be eligible for coverage under the program if:

6 (1) The premium required by R.S. 46:977.9(D) has not been timely paid. If
7 the required premium is not paid, the liability of the program shall be limited to
8 health care services provided under the program for the time period for which the
9 premium has been paid. A child shall also be ineligible for reenrollment for a period
10 of time set forth in rule by the department if the premium is not paid.

11 (2) The child is in the custody of a juvenile detention facility or adult
12 correction facility.

13 §977.6. Promulgation of rules

14 The department shall promulgate rules in accordance with the Administrative
15 Procedure Act, which shall include but not be limited to:

16 (1) Hardship provisions.

17 (2) Annual renewals of eligibility for the program.

18 (3) Reenrollment, grace period, notice requirements, and hearing procedures.

19 (4) Determining the availability and affordability of private or employer-
20 sponsored health insurance, with consideration of such factors as the percentage of
21 income needed to purchase individual or family health insurance, the availability of
22 employer subsidies, and other relevant factors.

23 §977.7. Enrollment process

24 The department shall use the same simplified enrollment processes and
25 application form that are used for the Louisiana Medicaid program and LaCHIP. In
26 addition, the department may also:

27 (1) Provide a secure system and authorize an application to be submitted by
28 electronic transmission via the Internet.

29 (2) Make presumptive eligibility determinations for children as provided by
30 federal guidelines.

1 (3) Contract with local entities throughout the state to assist with outreach
 2 and enrollment activities.

3 §977.8. Eligibility; future federal legislation

4 The department, upon enactment by congress of legislation allowing the
 5 same, may utilize income determinations made by the Food Stamp Program, WIC,
 6 or the National School Lunch Program for determining income eligibility for the
 7 Louisiana Medicaid program or LaCHIP.

8 §977.9. Health care benefits; cost sharing requirements

9 A. Subject to the General Appropriation Act of the legislature, the
 10 department shall purchase or provide health care benefits for eligible children which
 11 are equivalent to the benefits provided for children under the coverage requirements
 12 for the federal Children's Health Insurance Program, Title XXI of the Social Security
 13 Act.

14 B. Subject to the General Appropriation Act of the legislature, as an
 15 alternative to the health benefits outlined in Subsection A of this Section, and when
 16 cost-effective to the state, the department may provide premium assistance to
 17 families toward the cost of privately sponsored health insurance, including employer-
 18 sponsored and individually purchased health insurance.

19 C. The content and availability of benefits described in Subsection B of this
 20 Section and the terms of eligibility for those benefits shall be at the discretion of the
 21 department. The department shall determine the efficacy and cost-effectiveness as
 22 a means of promoting retention of private or employer-sponsored health insurance.
 23 If the department provides benefits described in Subsection B of this Section, the
 24 department shall not be required to provide services under any provision of Title
 25 XIX or Title XXI of the Social Security Act.

26 D. The responsible party for a child enrolled in the program shall be subject
 27 to the following cost-sharing requirements for subsidized insurance:

28 (1) The department shall by rule establish requirements concerning monthly
 29 premiums, co-payments, and coinsurance for health care services. This cost sharing
 30 shall be on a sliding scale based on family income up to three hundred percent of the

1 federal poverty level. The department shall work in consultation with the Louisiana
 2 staff of the Children's Defense Fund, Agenda for Children, Louisiana Maternal and
 3 Child Health Coalition, Covering Kids and Families, Louisiana Partnership for
 4 Children and Families, Families Helping Families of Louisiana, Louisiana Chapter
 5 of the National Association of Social Workers, Louisiana Chapter of the American
 6 Academy of Pediatrics, Louisiana Chapter of the March of Dimes, and Louisiana
 7 Primary Care Association in the rulemaking process regarding the sliding scale,
 8 which is based on family income. Notwithstanding this Paragraph, there shall be no
 9 co-payment required for well-baby or well-child health care, including but not
 10 limited to age-appropriate immunization as required under state and federal law.

11 (2) The responsible party for a child enrolled in a privately sponsored health
 12 insurance plan under this Part shall be subject to the cost-sharing provisions stated
 13 in the privately sponsored health insurance plan.

14 §977.10. Authority of the department; premiums

15 The department shall have the authority to:

16 (1) Collect required premiums from the family or responsible party for a
 17 child receiving benefits.

18 (2) Notify the family or responsible party of a child who is paying a
 19 premium of any changes in such premium or co-payment requirements.

20 (3) Refuse payment of services for nonpayment of premium.

21 (4) Monitor the availability and retention of employer-sponsored dependent
 22 health insurance coverage to promote retention of private or employer-sponsored
 23 health insurance and timely access to health care services.

24 §977.11. Right of recovery; assistance payments; medical expenses

25 The provisions of R.S. 46:153 and 446 relative to the department's right to
 26 recover shall apply to assistance payments and medical expenses provided to
 27 children pursuant to this Part.

1 §977.12. Amendments or waivers of federal requirements

2 The department shall request any necessary state plan amendments or waivers
3 of federal requirements in order to use federal funds for implementing any or all the
4 provisions of the program.

5 §977.13. Louisiana Children and Youth Health Insurance Program premium
6 monies; Health Care Redesign Fund

7 Monies received by the state as a result of premiums paid for coverage
8 through the program shall be credited to the Health Care Redesign Fund.

9 Section 2. The Louisiana State Law Institute is hereby directed to designate Sections
10 971 through 977 of Chapter 8 of Title 46 of the Louisiana Revised Statutes of 1950 as "Part
11 I. General Provisions".

12 Section 3. This Act shall become effective upon signature by the governor or, if not
13 signed by the governor, upon expiration of the time for bills to become law without signature
14 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
15 vetoed by the governor and subsequently approved by the legislature, this Act shall become
16 effective on the day following such approval.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____