

1	Objective: Through the MMIS Operations activity, to operate an efficient Medicaid	
2	claims processing system.	
3	Performance Indicator:	
4	Percentage of total claims processed within 30 days of receipt	98.0%
5	Objective: Through the Pharmacy Benefits Management activity, to develop,	
6	implement and administer the Medicaid pharmacy outpatient program.	
7	Performance Indicator:	
8	Percentage (%) of Total Scripts PDL Compliance	90%
9	TOTAL EXPENDITURES	<u>\$ 328,930,497</u>
10	MEANS OF FINANCE:	
11	State General Fund (Direct)	\$ 85,622,497
12	State General Fund by:	
13	Interagency Transfers	\$ 14,090,834
14	Fees & Self-generated Revenues	\$ 940,204
15	Statutory Dedication:	
16	Health Trust Fund	\$ 2,056
17	New Opportunities Waiver Fund	\$ 32,848
18	Federal Funds	<u>\$ 228,242,058</u>
19	TOTAL MEANS OF FINANCING	<u>\$ 328,930,497</u>
20	09-306 MEDICAL VENDOR PAYMENTS	
21	EXPENDITURES:	
22	Payments to Private Providers - Authorized Positions (0)	\$4,085,546,091
23	Program Description: <i>Provides payments to private providers of health services</i>	
24	<i>to Louisiana residents who are eligible for Title XIX (Medicaid), while ensuring that</i>	
25	<i>reimbursements to providers of medical services to Medicaid recipients are</i>	
26	<i>appropriate.</i>	
27	Objective: Through the Medicaid BAYOU HEALTH Initiatives activity, to	
28	increase preventive health care; improve quality, performance measurement, and	
29	patient experience; and moderate cost increases through: 1) implementation of fee-	
30	for-service coordinated care networks (BAYOU HEALTH Shared Savings); and 2)	
31	implementation of comprehensive pre-paid coordinated care networks (BAYOU	
32	HEALTH Prepaid).	
33	Performance Indicator:	
34	Percentage of health plans that meet for the calendar year DHH improvement	
35	benchmarks for BAYOU HEALTH incentive-based performance	
36	measures	100%
37	Objective: Through the Medicaid BAYOU HEALTH Initiative activity, encourage	
38	Medicaid recipients to obtain appropriate preventive and primary care in order to	
39	improve their overall health and quality of life, and to ensure that those who care	
40	for them provide the care through : 1) implementation of fee-for-service	
41	coordinated care networks (BAYOU HEALTH Shared Savings); and 2)	
42	implementation of comprehensive prepaid coordinated care networks (BAYOU	
43	HEALTH Prepaid).	
44	Performance Indicators:	
45	Percentage of the non-incentive based administrative and clinical	
46	performance measures that meet or exceed the DHH established	
47	performance improvement benchmarks for each Health Plan	100%
48	Objective: Through the Community-Based Services activity, to achieve better	
49	health outcomes for the state by promoting affordable community-based services,	
50	decreasing reliance on more expensive institutional care, and providing choice to	
51	recipients.	
52	Performance Indicator:	
53	Percentage change in the unduplicated number of recipients receiving	
54	community-based services	3%

1	Objective: Through the Community-Based Long Term Care for Persons with	
2	Disabilities activity, to increase the number of people accessing community-based	
3	services by 5% annually over the next 5 years in a morecost-effective and efficient	
4	manner.	
5	Performance Indicators:	
6	Percentage change in number of persons served in community-based	
7	waiver services	9%
8	Percentage change in the cost of the New Opportunities Waiver post	
9	implementation of resource allocation	2%
10	Numbers of residents of private ICFs/DD transitioning to Residential	
11	Options Waiver (ROW) opportunities	10,011
12	Utilization of Residential Options Waiver (ROW) opportunities available	
13	through funding allocation or conversion of ICF/DD beds	100%
14	Percentage of persons surveyed reporting overall satisfaction with	
15	services requested	85%
16	Objective: Through the Community-Based Long Term Care for the Elderly and	
17	Disabled activity, to achieve national averages for Medicaid-funded institutional	
18	versus community-based Long Term Care (LTC) spending for older adults and	
19	adults with disabilities by 2015.	
20	Performance Indicators:	
21	Percentage of Medicaid spending for elderly and disabled adult long term	
22	care that goes towards community-based services rather than nursing	
23	homes	31%
24	Average Medicaid expenditure per person for community-based long term	
25	care as percentage of average expenditure per person for nursing home	
26	care	55%
27	Percentage of available, nationally recognized measures on which	
28	Medicaid community-based programs perform the same or better than	
29	the Medicaid nursing programs	80%
30	Objective: Through the Behavioral Health activity, to increase access to a full array	
31	of community-based, evidence-based and/or best practice behavioral services,	
32	improve health outcomes, and decrease reliance on institutional care.	
33	Performance Indicator:	
34	Percentage of eligible recipients receiving behavioral health services in	
35	the community	5.0%
36	Objective: Through the Medicaid BAYOU HEALTH Initiatives activity, ensure	
37	prompt payment or preprocessing of claims for network providers.	
38	Performance Indicator:	
39	Percentage of Bayou Health – Prepaid Health Plan’s payments that meet	
40	the prompt pay requirements	100%
41	Objective: Through the Support Services activity, to reduce the rate of growth of	
42	expenditures for drugs in the DHH Pharmacy Benefits Management Program by	
43	implementing a prior authorization (PA) program with a preferred drug list (PDL)	
44	and obtaining supplemental rebates from drug manufacturers.	
45	Performance Indicator:	
46	Percentage of Total Scripts PDL compliance	90%
47	Objective: Through the Inpatient Hospitalization activity, to provide necessary care	
48	for Medicaid recipients when acute care hospitalization is most appropriate and to	
49	lower the growth of inpatient hospital costs while moving toward a higher and	
50	consistent level of quality medical care.	
51	Performance Indicator:	
52	Average (mean) length of stay (non-psych.) for Title XIX Medicaid	
53	recipients	4.5
54	Objective: Through the Institutional Based Long Term Care for Persons with	
55	Developmental Disabilities activity, to transition recipients living in Intermediate	
56	Care Facilities for individuals with developmental disabilities to home and	
57	community based settings.	
58	Performance Indicator:	
59	Percentage of Recipients moved from the ICF-DD setting into home and	
60	community based settings	2%

1	Objective: Through the Institutional Based Long Term Care for the Elderly And	
2	Disabled activity, to use spending to reduce unused bed capacity and improve quality	
3	to achieve national averages by 2015.	
4	Performance Indicators:	
5	Percentage of national nursing home quality measures on which	
6	Louisiana nursing homes rate at or above the national average per	
7	most recent Dept. of Health & Human Services Report	32%
8	Percentage change in nursing facility utilization	0%
9	Percentage change in nursing facility spending under Medicaid	1.90%
10	Nursing Home Occupancy Rate	72%
11	Objective: Through the Hospice and Nursing Home Room and Board activity, to	
12	provide quality palliative care to Medicaid Hospice recipients at the most	
13	reasonable cost to the state.	
14	Performance Indicators:	
15	Number of Room & Board Services for Hospice Patients	474,683
16	Number of Hospice Services	92,808
17	Payments to Public Providers - Authorized Positions (0)	\$ 270,397,035
18	Program Description: <i>Provides payments to public providers of health care</i>	
19	<i>services to Louisiana residents who are eligible for Title XIX (Medicaid), while</i>	
20	<i>ensuring that reimbursements to providers of medical services to Medicaid</i>	
21	<i>recipients are appropriate.</i>	
22	Objective: Through the Payment to Public Providers activity, to encourage all	
23	Medicaid enrollees to obtain appropriate preventive and primary care in order to	
24	improve their overall health and quality of life as shown by well-visits, annual dental	
25	visits, access to primary care practitioners and asthma and diabetes measures.	
26	Performance Indicator:	
27	Average acute care length of stay per discharge for state hospitals	6.30
28	Medicare Buy-Ins & Supplements - Authorized Positions (0)	\$2,393,128,806
29	Program Description: <i>Provides medical insurance for indigent elderly people,</i>	
30	<i>who are eligible for both Medicare and Medicaid, by paying the Medicare</i>	
31	<i>premiums. This avoids potential additional Medicaid costs for those eligible</i>	
32	<i>individuals who cannot afford to pay their own "out-of-pocket" Medicare costs.</i>	
33	Objective: Through the Clawback activity, to help finance the Medicare Part D	
34	benefit for dual eligibles (individuals insured by both Medicare And Medicaid), as	
35	required by the Medicare Prescription Drug Improvement Act of 2003.	
36	Performance Indicator:	
37	Number of dual eligibles	108,778
38	Objective: Through the Medicare Savings Programs activity, to avoid more	
39	expensive costs that would otherwise be funded by Medicaid by ensuring that	
40	eligible low-income senior citizens do not forego health coverage due to increasing	
41	Medicare premiums that make maintaining coverage increasingly difficult.	
42	Performance Indicators:	
43	Total number of Buy-In eligibles (Part A & B)	192,749
44	Total savings (cost of care less premium costs for Medicare	
45	benefits)	\$1,253,500,000
46	Objective: Through the LaCHIP Affordable Plan activity, to maximize enrollment	
47	of children (birth through 18 years of age) who are potentially eligible for services	
48	under Title XXI of the Social Security Act, improve their health outcomes, and	
49	ensure they receive quality health care.	
50	Performance Indicators:	
51	Total number of LAP eligibles who have annual dental exams	
52	(HEDIS measure)	NA
53	Percentage of LAP eligibles who lost coverage due to failure to pay	
54	premium	4.0%
55	Percentage of enrollees reporting satisfaction with LAP and access to	
56	services (OGB CAHPS Survey)	NA
57	Number of well-care visits, including immunizations, for adolescents	
58	(HEDIS measure)	NA
59	Objective: Through the Louisiana Health Insurance Premium Payment (LaHIPP)	
60	Program activity, to assist eligible individuals and families in purchasing private	
61	health insurance through an employer while maintaining Medicaid/LaCHIP coverage	
62	as a secondary payor of medical expenses, resulting in reduced cost exposure to the	
63	state.	
64	Performance Indicators:	
65	Number of cases added in LaHIPP	1200
66	LaHIPP Total Savings (Cost of Care less LaHIPP Premium Costs)	
67	in Millions	\$5

1	Uncompensated Care Costs - Authorized Positions (0)	<u>\$ 690,787,837</u>
2	Program Description: <i>Payments to inpatient medical care providers serving a</i>	
3	<i>disproportionately large number of poor clients. Hospitals are reimbursed for their</i>	
4	<i>uncompensated care costs associated with the free care which they provide.</i>	
5	Objective: Through the Uncompensated Care Costs activity, to encourage hospitals	
6	and other providers to provide access to medical care for the uninsured and reduce	
7	reliance on State General Fund by collecting disproportionate share (DSH) payments	
8	from UCC.	
9	Performance Indicators:	
10	Total federal funds collected in millions	\$428.9
11	Amount of federal funds collected in millions (public only)	\$121.3
12	Number of patients served by GNOCHC providers	75,000

13 TOTAL EXPENDITURES \$7,439,859,769

14 MEANS OF FINANCE:

15	State General Fund (Direct)	\$ 1,825,668,352
16	State General Fund by:	
17	Interagency Transfers from Prior and	
18	Current Year Collections	\$ 98,215,460
19	Fees & Self-generated Revenues from	
20	Prior and Current Year Collections	\$ 118,673,658
21	Statutory Dedications:	
22	Louisiana Medical Assistance Trust Fund	\$ 157,857,988
23	Louisiana Fund	\$ 11,971,046
24	Community Hospital Stabilization Fund	\$ 16,388,386
25	Health Excellence Fund	\$ 25,763,940
26	Medicaid Trust Fund for the Elderly	\$ 183,505,794
27	Health Trust Fund	\$ 6,905,105
28	2013 Amnesty Collections Fund	\$ 200,000,000
29	Federal Funds	<u>\$4,794,910,040</u>

30 TOTAL MEANS OF FINANCING \$7,439,859,769

31 ~~EXPENDITURES:~~

32	Payments to Private Providers Program for	
33	50 New Opportunities Waiver (NOW) slots	\$ 1,274,488

34 ~~TOTAL EXPENDITURES~~ ~~\$ 1,274,488~~

35 ~~MEANS OF FINANCE:~~

36	State General Fund (Direct)	\$ 472,070
37	Federal Funds	\$ 802,418

38 ~~TOTAL MEANS OF FINANCING~~ ~~\$ 1,274,488~~

39 The commissioner of administration is hereby authorized and directed to adjust the means of
40 financing for the Payments to Private Providers Program in this agency by reducing the
41 appropriation out of the State General Fund (Direct) by \$26,924,463.

42 The commissioner of administration is hereby authorized and directed to adjust the means of
43 finance for the Payments to Private Providers Program in this agency by reducing the
44 appropriation out of Federal Funds by \$45,765,773.

45 The commissioner of administration is hereby authorized and directed to adjust the means of
46 financing for the Medicare Supplements and Buy-Ins Program in this agency by reducing the
47 appropriation out of the State General Fund (Direct) by \$22,713,051.

48 The commissioner of administration is hereby authorized and directed to adjust the means of
49 finance for the Medicare Supplements and Buy-Ins Program in this agency by reducing the
50 appropriation out of Federal Funds by \$38,607,281.

Veto Message
#12

Veto Message #13

~~1 The commissioner of administration is hereby authorized and directed to adjust the means
2 of finance for the Uncompensated Care Costs Program by reducing the appropriation out of
3 the State General Fund (Direct) by \$13,859,426 in the event either Senate Bill No. 125 or
4 House Bill No. 233, or both, of the 2013 Regular Session of the Legislature are enacted into
5 law.~~

~~6 The commissioner of administration is hereby authorized and directed to adjust the means
7 of finance for the Uncompensated Care Costs Program by reducing the appropriation out of
8 the Federal Funds by \$21,659,349 in the event either Senate Bill No. 125 or House Bill No.
9 233, or both, of the 2013 Regular Session of the Legislature are enacted into law.~~

~~10 EXPENDITURES:~~

~~11 For the Medicare Buy-Ins and Supplements
12 Program for reimbursement of services in the event
13 either Senate Bill No. 125 or House Bill No. 233,
14 or both, of the 2013 Regular Session of the Legislature
15 are enacted into law~~ ~~\$ 197,925,771~~

~~16 TOTAL EXPENDITURES \$ 197,925,771~~

~~17 MEANS OF FINANCE:~~

~~18 State General Fund (Direct) \$ 13,859,426
19 Federal Funds \$ 184,066,345~~

~~20 TOTAL MEANS OF FINANCING \$ 197,925,771~~

~~21 The commissioner of administration is hereby authorized and directed to transfer funding
22 between programs to ensure that this budget unit shall fully utilize and maximize State
23 General Fund (Direct) funding as a result of any savings realized from the expansion of
24 eligibility in the medical assistance program as provided for in the Patient Protection and
25 Affordable Care Act in the event either Senate Bill No. 125 or House Bill No. 233, or both,
26 of the 2013 Regular Session of the Legislature are enacted into law.~~

~~27 EXPENDITURES:~~

~~28 For the Payments to Private Providers Program
29 for reimbursement of rural hospitals in accordance
30 with the Rural Hospital Preservation Act~~ ~~\$ 34,808,558~~

~~31 TOTAL EXPENDITURES \$ 34,808,558~~

~~32 MEANS OF FINANCE:~~

~~33 Federal Funds \$ 34,808,558~~

~~34 TOTAL MEANS OF FINANCING \$ 34,808,558~~

Veto Message #14

~~35 EXPENDITURES:~~

~~36 Payments to Private Providers Program for
37 25 New Opportunities Waiver (NOW) slots~~ ~~\$ 637,243~~

~~38 TOTAL EXPENDITURES \$ 637,243~~

~~39 MEANS OF FINANCE:~~

~~40 State General Fund (Direct) \$ 236,035
41 Federal Funds \$ 401,208~~

~~42 TOTAL MEANS OF FINANCING \$ 637,243~~

**Veto Message
#15**

~~1 EXPENDITURES:
2 Payments to Private Providers
3 for 125 additional New
4 Opportunities Waiver (NOW) slots \$ 1,993,750~~

~~5 TOTAL EXPENDITURES \$ 1,993,750~~

~~6 MEANS OF FINANCE:
7 State General Fund (Direct) \$ 738,485
8 Federal Funds \$ 1,255,265~~

~~9 TOTAL MEANS OF FINANCING \$ 1,993,750~~

10 EXPENDITURES:
11 Payments to Private Providers for
12 the Public Private Partnerships \$ 108,535,435
13 Uncompensated Care Costs Payments for
14 the Public Private Partnerships \$ 174,236,930

15 TOTAL EXPENDITURES \$ 282,772,365

16 MEANS OF FINANCE:
17 State General Fund (Direct) \$ 74,586,823
18 State General Fund by:
19 Fees & Self-generated Revenues \$ 14,000,000
20 Federal Funds \$ 194,185,542

21 TOTAL MEANS OF FINANCING \$ 282,772,365

22 Provided however, that of the total appropriated herein for Schedule 09-306 Medical Vendor
23 Payments, the commissioner of administration is hereby authorized and directed to adjust the
24 means of financing by reducing a total of \$92,761 from the Payments to Public Providers
25 Program, of which \$34,359 shall be State General Fund (Direct) and \$58,402 shall be Federal
26 Funds.

27 EXPENDITURES:
28 Medical Vendor Payments \$ 80,993,521

29 TOTAL EXPENDITURES \$ 80,993,521

30 MEANS OF FINANCE:
31 State General Fund (Direct) \$ 30,000,000
32 Federal Funds \$ 50,993,521

33 TOTAL MEANS OF FINANCING \$ 80,993,521

34 Provided, however, that of the total appropriated herein for the Payments to Private
35 Providers Program, the department shall maintain the Medicaid reimbursement rate paid to
36 the private providers of Intermediate Care Facilities for people with Developmental
37 Disabilities which have downsized from over 100 beds to less than 35-bed facilities prior to
38 December 31, 2010, at the reimbursement rate in effect on January 1, 2009.

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

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

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

8 Public provider participation in financing:

9 The Department of Health and Hospitals hereinafter the "department", shall only make Title
 10 XIX (Medicaid) claim payments to non-state public hospitals, that certify matching funds for
 11 their Title XIX claim payments and provide certification of incurred uncompensated care
 12 costs (UCC) that qualify for public expenditures which are eligible for federal financial
 13 participation under Title XIX of the Social Security Act to the department. The certification
 14 for Title XIX claims payment match and the certification of UCC shall be in a form
 15 satisfactory to the department and provided to the department no later than October 1, 2013.
 16 Non-state public hospitals, that fail to make such certifications by October 1, 2013, may not
 17 receive Title XIX claim payments or any UCC payments until the department receives the
 18 required certifications. The Department may exclude certain non-state public hospitals from
 19 this requirement in order to implement alternative supplemental payment initiatives or
 20 alternate funding initiatives, or if a hospital that is solely owned by a city or town has
 21 changed its designation from a non-profit private hospital to a non-state public hospital
 22 between January 1, 2010 and June 30, 2012.

23 **09-307 OFFICE OF THE SECRETARY**

24 EXPENDITURES:

25 Management and Finance Program - Authorized Positions (489) \$ 101,623,555

26 **Program Description:** *Provides management, supervision and support services*
 27 *for: Legal Services; Media and Communications; Executive Administration; Fiscal*
 28 *Management; Policy Research and Health Systems Analysis; Planning and Budget;*
 29 *Contracts and Procurement; Human Resources, Training, and Staff Development;*
 30 *Governor's Council on Physical Fitness and Sports; Minority Health Access and*
 31 *Planning; Health Economics; and Information Technology.*

32 **Objective:** Through the Executive Administration and Program Support activity,
 33 to provide leadership, strategic and policy direction while maximizing resources and
 34 maintaining the highest level of government performance and accountability
 35 standards.

36 **Performance Indicators:**

37 Percentage of Office of the Secretary indicators meeting or exceeding	
38 targeted standards	75%
39 Percentage of executed FEMA heating, ventilating, and air conditioning	
40 (HVAC) contracts with funds disbursed to the grant recipients within	
41 14 working days following the contract execution date	98%

42 **Objective:** Through the Financial and Procurement Services activity, to promote
 43 efficient use of agency resources and provide support to all activities within the
 44 Office of the Secretary by ensuring fiscal responsibility and accountability,
 45 excellence in customer service, and promoting innovation in the use of technology.

46 **Performance Indicators:**

47 Percentage of invoices paid within 90 days of receipt	99%
48 Percentage of budget related documents submitted in accordance	
49 with DOA and Legislative timelines	99%

50 **Objective:** Through the Bureau of Legal Services, to provide legal services to
 51 various DHH agencies and programs.

52 **Performance Indicator:**

53 Percentage of cases litigated successfully	85%
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LOUISIANA MEDICAID PROGRAM

Table-6: Medical Vendor Program - Means of Finance - SFY 2013/14

Financing Category	
State General Fund	1,880,583,302
Interagency Transfer	98,215,460
Self Generated Revenue	132,673,658
Statutory Dedications	602,392,259
Sub-Total State	2,713,864,679
Federal	4,990,466,205
Total Means of Finance	7,704,330,884

Table-7: Existing Budget - SFY 2013/14

Program	
Private Providers	4,175,873,037
Public Providers	270,304,274
Buy-Ins & Supplements	2,393,128,806
Uncompensated Care	865,024,767
Total Medical Vendor Program	7,704,330,884