



State of Louisiana
Department of Health and Hospitals
Bureau of Health Services Financing

January 22, 2014

The Honorable John A. Alario, Jr., President
Louisiana State Senate
P.O. Box 94183, Capitol Station
Baton Rouge, LA 70804-9183

The Honorable Charles E. Kleckley, Speaker
Louisiana State House of Representatives
P.O. Box 94062, Capitol Station
Baton Rouge, LA 70804-9062

The Honorable James R. Fannin, Chairman
Louisiana State House of Representatives
House Appropriations Committee
P.O. Box 4486, Capitol Station
Baton Rouge, LA 70804-4486

The Honorable Jack Donahue, Chairman
Louisiana State Senate
Senate Finance Committee
P.O. Box 94183, Capitol Station
Baton Rouge, LA 70804-9183

The Honorable Scott M. Simon, Chairman
House Health and Welfare Committee
Louisiana State House of Representatives
P.O. Box 44486, Capitol Station
Baton Rouge, LA 70804-4486

The Honorable David Heitmeier, Chairman
Senate Health and Welfare Committee
Louisiana State Senate
P.O. Box 94183, Capitol Station
Baton Rouge, LA 70804-9183

Dear President Alario, Speaker Kleckley, and Honorable Chairs:

Senate Bill No. 305 of the 2003 Regular Session requires that the Department of Health and Hospitals (DHH) submit certain information on a semi-annual basis regarding the Medicaid buy-in program, the Medicaid Purchase Plan (MPP), to the Joint Legislative Committee on the Budget and to the House and Senate Health and Welfare committees.

Please accept this update that contains data for the first half of SFY 14.

Status of the Buy-In Program

The Medicaid Purchase Plan (MPP) is an optional Medicaid program that provides health care coverage to individuals with disabilities who are employed and meet specific income requirements. MPP was implemented in January 2004 and it provides full medical coverage that includes prescription drugs, hospital care, doctor services, medical equipment and supplies, and medical transportation. Enrollment as of December 31, 2013 was 982.

A total of \$100,649 in premiums has been paid to DHH for enrollment in MPP for SFY 14. The MPP participants have contributed approximately \$723,427 in federal taxes (includes FICA and federal income tax) and \$135,032 in state taxes thus far in SFY 14.

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Important Note Regarding MPP Program

Effective January 1, 2014, there were changes to the MPP Program. The MPP income limit has decreased from 250% of the FPL to 100% of the FPL. Because of this, all eligible enrollees will have a zero monthly premium. The spouse's income and resources, previously disregarded, will now be counted, and the resource limit was reduced from \$25,000 to \$10,000. Resources that were previously disregarded (life insurance policies, medical savings accounts and retirement accounts) will now be counted. This change in eligibility impacted 1,237 individuals. The department worked closely with the affected individuals to enroll them in other departmental programs that could meet their needs or provided information for them to access the federal marketplace to obtain private insurance.

Ms. Jackie Porta with the Bureau of Health Services Financing/Medical Vendor Administration (Medicaid) is available to discuss this letter with you should you have any questions or comments. Please contact Ms. Porta at (225) 342-9463 with any questions or comments you may have.

Sincerely,


Jerry Phillips
Undersecretary

Cc: The Honorable Members of the House Health and Welfare Committee
The Honorable Members of the Senate Health and Welfare Committee
The Honorable Members of the Joint Legislative Committee on the Budget
David R. Poynter Legislative Research Library