

## **House Committee on Appropriations**

Minutes of Meeting  
2016 Second Extraordinary Session  
June 9, 2016

### **I. CALL TO ORDER**

Representative Cameron Henry, Chairman of the House Committee on Appropriations, called the meeting to order at 9:22 a.m. in Room 5, in the state capitol in Baton Rouge, Louisiana. The secretary called the roll.

### **II. ROLL CALL**

#### **MEMBERS PRESENT:**

Representative Cameron Henry, Chairman  
Representative Mark Abraham  
Representative Beryl A. Amedée  
Representative Tony Bacala  
Representative Lawrence A. "Larry" Bagley  
Representative John A. Berthelot  
Representative Robert E. Billiot  
Representative Charles R. Chaney  
Representative Rick Edmonds  
Representative Franklin J. Foil  
Representative Lance Harris  
Representative Bob Hensgens  
Representative Walt Leger, III  
Representative Jack G. McFarland  
Representative Dustin Miller  
Representative Steve E. Pylant  
Representative Jerome Richard  
Representative John M. Schroder, Sr.  
Representative Patricia Haynes Smith  
Representative Jerome "Zee" Zeringue

#### **MEMBERS ABSENT:**

Representative James K. Armes, III  
Representative Gary M. Carter, Jr.  
Representative Valarie Hodges  
Representative Blake Miguez

Representative Scott M. Simon

**STAFF MEMBERS PRESENT:**

Ms. Penny B. Bouquet, Administrative Secretary  
Mr. Peter G. E. Conroy, Legislative Analyst  
Ms. Nancy Keaton, Legislative Analyst  
Ms. Diane Merritt, Secretary

**ADDITIONAL ATTENDEES PRESENT:**

Ms. Patricia Harris, Clerk  
Ms. Fay Talbot, Sergeant at Arms  
Ms. Vivian Hurst, Sergeant at Arms

**III. DISCUSSION OF LEGISLATION**

**House Bill No. 2 by Representative Abramson**

Representative Abramson presented House Bill No. 2, which provides for the comprehensive Capital Outlay budget.

Representative Henry offered a motion to report House Bill No. 2 favorably. Without objection, House Bill No. 2 was reported favorably by a vote of 18 yeas and 0 nays. Representatives Henry, Abraham, Amedée, Bacala, Bagley, Berthelot, Billiot, Chaney, Edmonds, Foil, Harris, Hensgens, Leger, McFarland, Miller, Pylant, Richard, and Schroder voted yea.

**IV. OTHER BUSINESS**

**Louisiana Department of Health**

Dr. Rebekah Gee, Secretary of the Louisiana Department of Health (LDH), 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9500, presented an overview of the department's plan for the FY16-17 budget reductions. (See Exhibit A)

Mr. W. Jeff Reynolds, Undersecretary for LDH, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9500, discussed how Terrebonne General Medical Center draws down federal matching funds to help fund the Chabert Medical Center's public-private partnership and the possibility of applying this model to the other hospital public-private partnerships with Representatives Henry and Amedée.

Dr. Gee and Mr. Reynolds discussed that the Chabert Medical Center funding model may not work for the other hospital public-private partnerships with Representatives Henry and Smith.

Ms. Cindy Rives, Deputy Undersecretary for LDH, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9500, discussed the contingency funding for the thirteenth Bayou Health checkwrite with Representative Henry.

Dr. Gee and Mr. Reynolds discussed the difference between the thirteenth payment to Bayou Health and the thirteenth Bayou Health checkwrite with Representative Smith.

Dr. Gee and Mr. Stephen Russo, Executive Counsel for LDH, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9500, discussed the effects of eliminating funding for overtime payments to home care workers who provide services to waiver and long-term personal care recipients with Representative Smith.

Mr. Reynolds discussed how the department will allocate funds after the 2016 2<sup>nd</sup> Extraordinary Session for the hospital public-private partnerships with Representative Smith.

Mr. Reynolds and Dr. Gee discussed Managed Care Organization (MCO) payments versus Fee for Service payments with Representative Amedée.

Dr. Gee discussed renegotiating the hospital public-private partnership contracts and allowing for more waiver recipient slots with Representative Foil.

Mr. Russo, Dr. Gee, and Mr. Reynolds discussed acquiring approval from the Center for Medicare and Medicaid Services to utilize funds from the Health Maintenance Organization Fee with Representatives Foil and Hensgens.

Mr. Reynolds discussed the Intergovernmental Transfer progress, the frequency of payments, and school-based health clinics with Representative Billiot.

Mr. Mark Thomas, Assistant Secretary for the Office of Citizens with Developmental Disabilities, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9500, discussed the unfunded federal mandate for overtime payments to home care workers and the retention rate for those workers with Representative Hensgens.

Mr. Russo discussed the approval process for a hospital district to go outside of the district boundary line with Representative Hensgens.

Mr. Reynolds discussed moving funding budgeted for uncompensated care costs to Medicaid expansion with Representatives Bacala and Hensgens.

Ms. Kimberly L. Robinson, Secretary of the Department of Revenue, 617 North Third Street, Baton Rouge, LA 70802, (225) 219-4059, discussed tax credits to offset health insurance premium taxes with Representative Hensgens.

Dr. Gee and Mr. Reynolds discussed the cost savings of the hospital public-private partnerships versus the prior healthcare system, renegotiating the partnership contracts, and reductions to the FY16-17 budget with Representatives Abraham and Edmonds.

Dr. Gee and Mr. Reynolds discussed the cost savings of Medicaid expansion and Louisiana's provider reimbursement rates compared to neighboring states with Representative Abraham.

Dr. Gee, Mr. Reynolds, and Ms. Jen Steele, Medicaid Director of LDH, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9500, discussed, with Representative Edmonds, the department's strategy for enrolling patients into Medicaid and the current number of enrollees.

Dr. Gee, Mr. Reynolds, and Ms. Steele discussed the reduction to MCO payments, the department's efforts to get closer to the actuarially sound range for those payments, and the MCO's profit margin with Representative Miller.

Mr. Reynolds and Dr. Gee discussed the department's budget increase for FY16-17 and merit increases within the department with Representative Bacala.

Dr. Gee and Mr. Reynolds discussed the department's budget priority list and the cost of the Pediatric Day Health Care Program with Representative Schroder.

**V. ANNOUNCEMENTS**

There were no announcements.

**VI. ADJOURNMENT**

Representative Chaney offered a motion to adjourn, to which there was no objection. The motion passed by a vote of 16 yeas and 0 nays. Representatives Abraham, Amedée, Bacala, Bagley, Berthelot, Billiot, Chaney, Edmonds, Foil, Harris, Hodges, McFarland, Miller, Richard, Smith, and Zeringue voted yea.

The meeting was adjourned at 11:47 a.m.

Respectfully submitted,

Chairman Cameron Henry  
House Committee on Appropriations

Date adopted: