

House Committee on Appropriations

Minutes of Meeting
2019 Regular Session
April 9, 2019

I. CALL TO ORDER

Representative Cameron Henry, Chairman of the House Committee on Appropriations, called the meeting to order at 9:09 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 Julie Emerson
Representative Reid Falconer
Representative Franklin J. Foil, Vice Chairman
Representative Lance Harris
Representative Walt Leger, III
Representative Jack G. McFarland
Representative Blake Miguez
Representative Dustin Miller
Representative Jerome Richard
Representative Patricia Haynes Smith
Representative Jerome "Zee" Zeringue

MEMBERS ABSENT:

Representative James K. Armes, III
Representative Gary M. Carter, Jr.
Representative Valarie Hodges
Representative Steve E. Pylant

Representative Scott M. Simon

STAFF MEMBERS PRESENT:

Ms. Alexis Normand, Attorney
Ms. Adrienne Wood, Attorney
Ms. Jane Schoen, Secretary

ADDITIONAL ATTENDEES PRESENT:

Ms. Faye Talbot, Sergeant at Arms
Ms. Vivian Hurst, Sergeant at Arms

III. DISCUSSION

House Bill No. 105 by Representative Henry

The following agencies contained in House Bill No. 105 were presented and discussed:

Department of Children and Family Services

Mr. Chas Nichols, Budget Analyst, House Fiscal Division (HFD), 900 North Third Street, Baton Rouge, LA 70802, (225) 342-2444, presented an overview and discussed the department's FY19-20 budget.

Secretary Marketa Garner Walters, Department of Children and Family Services (DCFS), 627 North Fourth Street, Baton Rouge, LA 70802, (225) 342-6930, presented an overview of the department's services and programs, discussed the impact of budget reductions on the department, areas of the department that are in need of funding, and provided a handout, Exhibit A, which is included in the committee records.

Secretary Walters discussed the department's excess budget authority that is used for emergencies with Representatives Billiot and Leger. The secretary also discussed the department's reorganization of the Supplemental Nutrition Assistance Program (SNAP) and the program's federally matched funding with Representative Leger.

Ms. Terri Ricks, Deputy Secretary, DCFS, 627 North Fourth Street, Baton Rouge, LA 70802, (225) 335-0422, and Secretary Walters discussed the need for the Disaster SNAP Program and the SNAP Employment and Training Program and funding from the Temporary Assistance for Needy Families (TANF) Program with Representatives Billiot, Leger, and Smith.

Secretary Walters and Ms. Ricks discussed the changes in number of SNAP households and the Kinship Care Program with Representative Amedée. Ms. Ricks also discussed child support collections and the Strategies to Empower People (STEP) Program with Representatives Amedée and Smith.

Mr. Nichols discussed the department's non-state general fund reductions with Representative Amedée.

Secretary Walters discussed the department's efforts to partner with more private entities to implement more DCFS programs and employee turnover rates with Representative Amedée.

Ms. Ricks discussed the cost of services provided by the Office of Technology Services (OTS) and the need for more vehicles for the department with Representative Amedée.

Secretary Walters discussed funding for the Jobs for America's Graduates (JAG) Program, the employee case load ratio, and the department's work with the Office of Juvenile Justice with Representative Smith.

Mr. Sammy Guillory, Deputy Assistant Secretary, DCFS, 627 North Fourth Street, Baton Rouge, LA 70802, (225) 342-3961, and Secretary Walters discussed the work requirements for SNAP benefits recipients with Representatives Henry and Bacala.

Mr. Nichols discussed the increase in the department's excess expenditure authority, and Ms. Ricks discussed the correlation between SNAP recipient benefits and retail spending with Representatives Abraham, Bagley, and Edmonds.

Secretary Walters discussed foster care needs with Representative Foil. The secretary and Ms. Ricks discussed SNAP recipients' ability to slowly be removed from the program with Representative Miller.

Mr. Eric Horent, Undersecretary, DCFS, 627 North Fourth Street, Baton Rouge, LA 70802, (225) 342-1102, Ms. Ricks, and Secretary Walters discussed the department's statutory dedications and fees and self-generated revenue with Representatives Henry and Edmonds.

Mr. Nichols and Secretary Walters discussed the interagency transfer funds to cover the cost of the Integrated Eligibility Project with Representative Edmonds.

Health Care Services Division

Mr. Daniel Waguespack, Budget Analyst, HFD, 900 North Third Street, Baton Rouge, LA 70802, (225) 342-7477, presented an overview and discussed the agency's FY19-20 budget.

Dr. Wayne Wilbright, Chief Executive Officer, LSU Health Care Services Division, no address provided, (504) 568-22559, provided an overview of the services provided by Lallie Kemp Regional Medical Center, discussed the need for new medical equipment, and discussed the agency's redesign efforts for preventive care with Representative Henry.

Mr. Chad Thompson, Chief Financial Officer, Lallie Kemp Regional Medical Center, 52599 Highway 51, Independence, LA 70443, (985) 878-1350, discussed the makeup of patients at Lallie Kemp Regional Medical Center with Representative Henry.

The meeting recessed at 11:39 a.m. and reconvened at 12:58 p.m.

Louisiana Department of Health

Mr. Chris Keaton, Budget Deputy Director, and Mr. Nichols, HFD, 900 North Third Street, Baton Rouge, LA 70802, (225) 342-8569, presented and overview and discussed the FY19-20 budget for the department.

Ms. Cindy Rives, Undersecretary, Louisiana Department of Health (LDH), 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9509, discussed funding for certain waivers included in the department's budget with Representative Amedée and discussed excess budget authority in FY18-19 with Representative Bacala.

Dr. Rebekah Gee, LDH Secretary, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9509, presented and reviewed a handout, Exhibit B, which is included in the committee records.

Dr. Gee discussed the importance of funding Intermediate Care Facilities for the Developmentally Disabled (ICFDD) with Representative Bagley.

Ms. Jen Steele, Medicaid Director, LDH, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9509, discussed the state's ranking for unnecessary spending and provider fraud. Ms. Steele, Ms. Angel Cavaretta, and Mr. Daryl Purpera, Louisiana Legislative Auditor, P.O. Box 94397, Baton Rouge, LA 70804, (225) 336-8136, also discussed audit findings within the Medicaid Program with Representatives Edmonds and McFarland.

Mr. Chris Magee, Louisiana Legislative Auditor, P.O. Box 94397, Baton Rouge, LA 70804, (225) 336-8136, discussed audit findings within the Office of Behavior Health with Representative Edmonds.

Ms. Karen Stubbs, Office of Behavioral Health, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9509, and Mr. Steve Russo, Executive Counsel, LDH, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9509, discussed policy implementations in place after Act 582 from the 2018 Regular Session was adopted with Representatives Bacala and Edmonds.

Dr. Gee discussed the ability to manage and control the department due to Medicaid Expansion with Representatives Edmonds and Miller. Dr. Gee also discussed the department's prioritization of rural hospitals and certain pharmaceutical improvements with Representative Miller.

Ms. Steele and Dr. Gee discussed certain Medicaid enrollees, fraud within the program, Medicaid eligibility requirements, and findings within the medical loss ratio reports with Representative Bacala.

Ms. Rives discussed the projected increase in Medicaid enrollees, the Managed Care Quality Program and the department's excess budget authority with Representative Bacala.

Ms. Rives provided and discussed a handout, Exhibit C, regarding development of department's FY19-20 budget with Representative Miller.

Mr. Mark Thomas, Deputy Secretary, LDH, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9509, and Mr. Russo discussed the reimbursement rate for ICFDD and home and community based services providers with Representatives Foil and Miller. Mr. Thomas also discussed guidelines for the New Opportunities Waiver (NOW) program with Representative Foil.

Dr. Alexander Billioux, Assistant Secretary, Office of Public Health, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9509, discussed funding for Severe Combined Immunodeficiency (SCID) testing with Representative Foil.

Ms. Steele and Ms. Rives discussed Managed Care Organization (MCO) contracts and the reduction to the reimbursement rate for the state's public-private partnerships with Representative McFarland.

Dr. Gee and Mr. Russo discussed eligibility and legal issues revolved around coverage for illegal immigrants with Representative McFarland.

Dr. Billioux discussed the department's implementation of Act 605 of the 2016 Regular Session with Representative McFarland.

Representative Foil in the chair.

Ms. Stubbs and Mr. Russo discussed the Coordinated System of Care (CSoC) program with Representative Amedée.

Ms. Steele discussed direct and indirect remuneration (DIR) fees for independent pharmacies and changes to drug rebates with Representative Amedée.

Representative Henry in the chair.

Ms. Rives discussed the department's means of financing (MOF) swaps and recommendations for reducing departmental contracts and funds owed to University Medical Center New Orleans with Representative Henry.

Ms. Steele and Mr. Russo discussed MCO capitation rates with Representative Henry. Ms. Steele also discussed a draft of a provider manual included in the Request for Proposal (RFP) for new MCO contracts with Representative Henry.

Mr. Russo discussed the potential elimination of supplemental payments to Centers for Medicare and Medicaid Services (CMS) with Representative Bacala.

IV. OTHER BUSINESS

There was no other business.

V. ANNOUNCEMENTS

There were no announcements.

VI. ADJOURNMENT

Representative Berthelot offered a motion to adjourn. Without objection, the motion passed by a vote of 20 yeas and 0 nays. Representatives Henry, Abraham, Amedée, Bacala, Bagley, Berthelot, Billiot, Chaney, Edmonds, Emerson, Falconer, Foil, Lance Harris, Leger, McFarland, Miguez, Dustin Miller, Richard, Smith, and Zeringue voted yea.

The meeting was adjourned at 4:03 p.m.

Respectfully submitted,

Chairman Cameron Henry
House Committee on Appropriations