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Executive Orders

EXECUTIVE ORDER EWE 85-15

WHEREAS, Section 621 of the Tax Reform Act of 1984 (the "Tax Reform Act") restricts the total principal amount of private activity bonds the interest on which is exempt from federal income taxation under Section 103 of the Internal Revenue code of 1954, as amended (the "bonds"), which may be issued by any state of the United States during each calendar year; and

WHEREAS, the aggregate principal amount of bonds which may be issued in the State of Louisiana (the "state") during the calendar year 1985 is restricted by the Tax Reform Act to $150 per person, based on the most recently published estimate of population obtained from the U.S. Department of Commerce - Bureau of Census, prior to January 1, 1985 (the "ceiling"); and

WHEREAS, Executive Order Number EWE-84-32 dated October 5, 1984, as amended, provides that the governor of the State of Louisiana is responsible for granting allocations from the ceiling for certain issues of bonds; and

WHEREAS, the governor of the State of Louisiana desires to grant allocations for the hereinafter described bonds;

NOW THEREFORE I, EDWIN EDWARDS, Governor of the State of Louisiana, do hereby order and direct as follows:

SECTION 1: The bond issues described in this section is hereby granted an allocation from the ceiling in the amount shown below.

AMOUNT OF ALLOCATIONS	NAME OF ISSUER	NAME OF PROJECT
$ 106,000	La. Agricultural Finance Authority	First Republic Bank Project No. 7 F. M. Logue, Sr.
$ 71,000	La. Agricultural Finance Authority	First Republic Bank Project No. 8 R. L. Walters
$ 130,000	La. Agricultural Finance Authority	First Republic Bank Project No. 9 A. K. Mills, III
$ 33,000	La. Agricultural Finance Authority	First Republic Bank Project No. 6 J. B. Montgomery

SECTION 2: The allocations granted hereunder are to be used only for the bond issues described in Section 1 and for the general purpose set forth in the "Application for Allocation of a Portion of the State of Louisiana's IDB Ceiling" submitted in connection with the bonds described in Section 1.

SECTION 3: The bonds granted an allocation hereunder must be delivered to the initial purchasers thereof on or before 60 days from the date hereof, unless an application for a 30-day extension under Section 5.8 of Executive Order Number EWE 84-32, as amended, is timely received by the State Bond Commission staff.

SECTION 4: Pursuant to Section 103(N)(12) of the Internal Revenue Code of 1954, as amended, the undersigned certifies, under penalty of perjury, that the allocations granted hereby were not made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

SECTION 5: All references herein to the singular shall include the plural and all plural references shall include the singular.

SECTION 6: This executive order shall be effective upon signature of the governor.

IN WITNESS WHEREOF, I have hereunder set my hand officially and caused to be affixed the Great Seal of the State of Louisiana, at the Capitol, in the City of Baton Rouge on this 20th day of March, 1985.

Edwin Edwards
Governor of Louisiana

ATTEST BY
THE GOVERNOR
Jim Brown
Secretary of State

EXECUTIVE ORDER EWE 85-16

WHEREAS, the Department of Natural Resources, Division of State Lands, is responsible for the administration and supervision of state owned lands; and

WHEREAS, the state is owner of approximately 6,000,000 acres of land; and

WHEREAS, throughout the state there exists the need to conduct surveys of these lands to determine precise boundaries, the right of occupancy and the right to exercise full ownership; and

WHEREAS, the secretary of the Department of Natural Resources is the only public official who can designate a land survey of state land as the "official" state survey; and

WHEREAS, statutory provisions direct the Department of Natural Resources to re-establish ownership, range and section lines by re-surveys, wherever appropriate; and

WHEREAS, the office of public works within the Department of Transportation and Development has personnel trained in field surveying;

NOW THEREFORE I, EDWIN EDWARDS, Governor of the State of Louisiana, do hereby order and direct as follows:

SECTION 1: The Land and Surveys Unit within the Department of Transportation and Development, office of public works, shall be transferred to the Department of Natural Resources, effective April 1, 1985.

SECTION 2: The Lands and Survey Unit shall perform its statutory functions, and fulfill other duties, as directed by the secretary of the Department of Natural Resources.

SECTION 3: This order shall remain in effect until amended, modified, or rescinded by the governor or until terminated by operation of law.

IN WITNESS WHEREOF, I have hereunto set my hand officially and caused to be affixed the Great Seal of the State of Louisiana, at the Capitol, in the City of Baton Rouge, on this 21st day of March, 1985.

Edwin Edwards
Governor of Louisiana

ATTEST BY
THE GOVERNOR
Jim Brown
Secretary of State

EXECUTIVE ORDER EWE 85-17

WHEREAS, there are 208,000 individuals of Hispanic descent in Louisiana; and

WHEREAS, there is definite need for a developmental program for the Hispanic-American citizens of this state as well as a program of assistance in preserving the rich cultural heritage of these people; and

WHEREAS, there exists a need for programs and projects to aid these citizens, with proper coordination and cooperation; and

WHEREAS, there is no agency of this state to which these individuals can turn for help and guidance.

NOW, THEREFORE, I, EDWIN EDWARDS, Governor of Louisiana do hereby order and direct as follows:

SECTION 1: The Governor's Hispanic-American Affairs Commission is hereby created in the division of minority affairs of the office of the governor.

SECTION 2: The commission shall be composed of twenty-one members as follows:

a. The governor shall appoint nineteen members from the state at large, one of whom shall be designated by the governor as chairman.

b. The governor's executive assistant for minority affairs and the governor's assistant for Hispanic-American affairs shall serve as ex-officio members.

SECTION 3: Each member appointed by the governor shall serve for a term of one year and may be re-appointed.

SECTION 4: The duties of the commission are to:

a. to advise the governor on programs and projects necessary to assist Hispanic-Americans residing in this state.

b. to report to the governor the impact on existing and proposed programs relative to Hispanic-Americans.

c. to assist Hispanic-Americans in achieving a complete sociological and economic advancement and unity as a valuable part of this State's heritage and its future.

SECTION 5: No member of the commission, shall receive a per diem, reimbursement for expenses, or other compensation for services pursuant to this order.

SECTION 6: The committee is authorized to accept grants, donations, appropriations, or other contributions of money or services from public or private sources and to expend the same to carry out its duties pursuant to this order.

SECTION 7: The division of minority affairs of the office of the governor is directed to provide the commission with available staff or other assistance as necessary.

IN WITNESS WHEREOF, I have hereunto set my hand officially and caused to be affixed the Great Seal of the State of Louisiana at the Capitol, in the City of Baton Rouge, on this 8th day of April, 1985.

Edwin Edwards
Governor of Louisiana

ATTEST BY
THE GOVERNOR
Jim Brown
Secretary of State

EXECUTIVE ORDER EWE 85-18

WHEREAS, there are 50,000 individuals of Asian descent in Louisiana; and

WHEREAS, there is definite need for a developmental program for the Asian-American citizens of this state as well as a program of assistance in preserving the rich cultural heritage of these people; and

WHEREAS, there exists a need for programs and projects to aid these citizens, with proper coordination and cooperation; and

WHEREAS, there is no agency of this state to which these individuals can turn for help and guidance.

NOW, THEREFORE, I, EDWIN EDWARDS, Governor of Louisiana do hereby order and direct as follows:

SECTION 1: The Governor's Asian-American Affairs Commission is hereby created in the division of minority affairs of the office of the governor.

SECTION 2: The commission shall be composed of sixteen members as follows:

a. The governor shall appoint fifteen members from the state at large, one of whom shall be designated by the governor as chairman.

b. At least one member of the commission shall be from each of the asian ethnic groups: Chinese, Korean, Japanese, Vietnamese, Thai, Laotian, Cambodian, Asiatic-Indian and Filipino.

c. The governor's executive assistant for minority affairs shall serve as ex-officio member.

SECTION 3: Each member appointed by the governor shall serve for a term of one year and may be re-appointed.

SECTION 4: The duties of the commission are to:

a. to advise the governor on programs and projects necessary to assist Asian-Americans residing in this state.

b. to report to the governor the impact on existing and proposed programs relative to Asian-Americans.

c. to assist Asian-Americans in achieving a complete sociological and economic advancement and unity as a valuable part of this State's heritage and its future.

SECTION 5: No member of the commission, shall receive a per diem, reimbursement for expenses, or other compensation for services pursuant to this order.

SECTION 6: The committee is authorized to accept grants, donations, appropriations, or other contributions of money or services from public or private sources and to expend the same to carry out its duties pursuant to this order.

SECTION 7: The division of minority affairs of the office of the governor is directed to provide the commission with available staff or other assistance as necessary.

IN WITNESS WHEREOF, I have hereunto set my hand officially and caused to be affixed the Great Seal of the State of Louisiana at the Capitol, in the City of Baton Rouge, on this 8th day of April, 1985.

Edwin Edwards
Governor of Louisiana

ATTEST BY
THE GOVERNOR
Jim Brown
Secretary of State

Emergency Rules

DECLARATION OF EMERGENCY

Office of the Governor
Office of Elderly Affairs

The Governor's Office of Elderly Affairs has exercised those powers conferred by the emergency provisions of the Louisiana Administrative Procedure Act, R.S. 49:953B, and amended the Governor's Office of Elderly Affairs Policy Manual to add a new section entitled "Hearing Procedures." The text of this new section includes the procedures which were published in the June, 1981 issue of the *Louisiana Register* (Volume 7, Number 6) with the exception of Subsection 1004, which was deleted May 6, 1984. The effective date of the Emergency Rule is March 19, 1985.

This action was necessary to comply with the Louisiana Administrative Procedure Act (LA R.S. 49:950, et seq.).

The Notice of Intent to amend the Governor's Office of Elderly Affairs Policy Manual appears in this issue of the *Louisiana Register.*

Sandra C. Adams
Director

DECLARATION OF EMERGENCY

Department of the Treasury
State Bond Commission

The State Bond Commission at a regular meeting on March 19, 1985, unanimously adopted an amendment to its rules as previously adopted and amended.

The commission exercised the emergency provisions of the Administrative Procedure Act L.R.S. 49:953B and adopted the following rule:

"2. Applications must be filed with the commission at least 11 working days in advance of a commission meeting, except in cases of absolute emergencies or in case where permission for later filing of routine matters is granted."

Mary Evelyn Parker
State Treasurer and Chairman

Rules

RULE

Department of Agriculture
Office of Agricultural and Environmental Sciences
Horticulture Commission

In accordance with the provisions of the Administrative Procedure Act (R.S. 49:950 et seq.), the Department of Agriculture, Horticulture Commission, in accordance with the authority granted under R.S. 3:1961 (F) and pursuant to the Notice of Intent published on January 20, 1985, adopted the following amendment to correct a typographical error:

Rule 9.5, Paragraph (B) (1) was amended to read:

9.5 General Requirements for Arborist

(B) (1) A certificate of insurance, written by an insurance company authorized to do business in Louisiana, covering the public liability of the applicant for personal injuries and property damages, providing for not less than $25,000 per person for personal injuries and not less than $50,000 for property damages, both limits applicable to each separate accident, provided that the commission may waive the requirement for the stated insurance coverages for any licensed arborist who does not physically work on trees or accept responsibility for work on trees, but only provides consultation with respect to work on trees. The certificate of insurance must provide for 30 days' written notice to the commission prior to cancellation.

Bob Odom
Commissioner

RULE

Department of Agriculture
Office of Agricultural and Environmental Sciences

Quarantine Program

In accordance with the provisions of the Administrative Procedure Act (R.S. 49:950 et seq.), the Department of Agriculture, in accordance with the authority granted under R.S. 3:1655 and pursuant to the Notice of Intent published on January 20, 1985, adopted the following rules and regulations for the Quarantine Program.

Title 7
AGRICULTURE AND ANIMALS
Part XV. Plant Diseases
Chapter 95. Crop Pests and Diseases
Subchapter A. General Plant Quarantine Provisions

§9501. Applicability of Regulations

The regulations contained in this Subchapter apply to quarantine of all plants, plant products, parts thereof and all regulated materials.

§9503. Definitions

Agent or *inspector* means any designee of the state entomologist who is qualified by training and/or experience to identify plant pests or diseases.

Certificate means a document issued by the state entomologist evidencing apparent freedom of plants, plant products or parts thereof or regulated articles from infestation.

Certificate permit means a permit which authorizes the movement, sale or offer for sale or storage of plants, plant products or parts thereof or regulated materials.

Certificate permit tag means a tag which authorizes the movement, sale or offer for sale or storage of plants, plant products or parts thereof, or regulated materials.

Commissioner means the Louisiana Commissioner of Agriculture.

Container means a crate, box, basket, sack, bag or any other kind of container used for the shipment or storage of plants, plant products, parts thereof, or equipment used in the propagation, production or harvesting of plants subject to regulation.

Department means the Louisiana Department of Agriculture.

Eradication area means any area within a quarantine area in which plants or host material or other equipment are to be eradicated.

Fumigation certificate means a document evidencing fumigation of plants, plant products or parts thereof or regulated materials.

Host means any plant on or in which any plant pest or plant disease lives for nourishment or protection.

Host material means any substance which harbors any plant pest or disease.

Infested property means any property where infested plants, plant products or parts thereof or host material has been found, or any property onto which host material from an infested property has been moved for any purpose.

Limited permit means a document authorizing the movement of regulated articles to a restricted area for limited handling, utilization, processing or for treatment.

Move, movement or *moved* means shipment, deposit for transmission in the mail, offer for shipment, receive for transportation, carry, otherwise transport or move, or allow to be moved, by mail or otherwise, interstate or intrastate, directly or indirectly.

Person means any individual, firm, company, corporation, partnership, society or association engaged in growing, harvesting, storing, shipping or processing any plants subject to inspection and/or regulation by the state entomologist.

Pest means any insect known to be destructive of specific plant life in any stage of development, i.e., egg, larva, pupa or adult.

Pest-free area means any location where there is no known incidence of a specific plant pest or disease. (Note: Any given location may be designated as pest-free for one pest but restricted and/or quarantined for another pest.)

Premises means any parcel of land, including any buildings located thereon, irrigation systems and any other similar locations where plant pests or diseases may be supported.

Property means any equipment of any kind, containers for crops, vehicles and other similar properties where plant pests and/or diseases may be found.

Quarantine means an official act of the state entomologist to prohibit or limit planting, production, harvesting, movement, sale or offer for sale, or storage of plants subject to infestation and/or any host material of such plants.

Quarantined area means any property within or outside of the State of Louisiana which has been officially designated as a quarantine area because such area is suspected of being or is found to be infested with any plant pest or plant disease which is detrimental to any crop grown in Louisiana.

Regulated area or *restricted area* means any property under quarantine or within a one-mile radius of any property under quarantine.

Regulated materials or *restricted materials* means any plants, plant products or parts thereof subject to regulation under this Subchapter, or any host material for any plant pest or disease.

State entomologist means the official within the department, or his designee, who is authorized to impose and supervise plant quarantines.

§9505. Authority of State Entomologist to Conduct Inspections

A. Whenever the state entomologist has reason to believe or suspect that any plant pest or plant disease subject to regulation may be present at any location within the State of Louisiana, he may cause an inspection of such premises and/or property to be made. Such inspection shall be made at a reasonable time during the normal work day and may be made with or without warrant.

B. Whenever the state entomologist has reason to believe or suspect that any plant pest or disease has been and/or may be transported into Louisiana and/or transported between two or more locations within Louisiana, by any means, he may establish inspection stations and cause an inspection to be made of any vehicle known or suspected to be transporting any materials known to be hosts for such plant pest or disease. In lieu of establishing inspection stations, the state entomologist may utilize existing inspection stations operated by law enforcement personnel of the State of Louisiana.

C. Whenever the state entomologist determines that materials being shipped into or within the State of Louisiana are infested, the state entomologist may order such materials to be destroyed at the inspection point, or to be shipped back to the point of origin. If shipped back to the point of origin, the owner of such materials shall be responsible for payment of all costs associated with the return shipment. Shipments being returned to the point of origin by order of the state entomologist must be sealed in a manner approved by the state entomologist and cannot stop until reaching the point of origin.

§9507. Authority of State Entomologist to Impose Quarantines

A. Whenever the state entomologist's inspection of properties or premises indicates any presence of an infestation of any plant pest or disease, the state entomologist may declare such properties or premises to be under quarantine.

B. The state entomologist may place any premises or properties under quarantine by the following procedures:

1. He must give notice, in writing, to the owner of the properties to be quarantined; and

2. He must publish notice of the quarantine in the *Louisiana Register* as required by LAC 7:9509 hereof.

§9509. Procedure for Imposition of Quarantine

A. In addition to giving written notice to the owner of properties to be placed under quarantine, the state entomologist shall annually, no later than November 30 of each year, publish in the *Louisiana Register* a list of all areas of Louisiana and the nation which are under quarantine, such publication to specify the plant pest or plant disease for which each such area is quarantined.

B. All areas contained on the state entomologist's annual listing of quarantined areas shall remain under quarantine for a period of one year following the date of publication, except as provided in Subsection C hereof.

C. The state entomologist may, at his discretion, remove the quarantine from any specific area listed in his annual quarantine listing when it is proven to his satisfaction that the plant pest or disease for which the area was quarantined is no longer present in the area from which the quarantine is to be removed. Whenever the state entomologist removes a quarantine prior to the expiration of one year following publication of the annual quarantine listing, he shall publish a report of his action in the *Louisiana Register.*

D. The state entomologist may, at his discretion, supplement his annual quarantine listing whenever any plant pest or disease is detected in any area which is not under quarantine for such plant pest or disease. The state entomologist shall, in such event, supplement his annual quarantine listing by publishing a "Supplement to the (Year of Quarantine) Quarantine Listing for (Name of Plant Pest or Disease)" in the *Louisiana Register.* The quarantine placed on any area by such supplemental action shall expire at the same time as the quarantines contained in his annual quarantine listing for such plant pests and diseases.

E. Upon publication of the state entomologist's annual quarantine listing, all previously published annual and supplementary quarantine listings shall automatically be repealed.

§9511. Effect of Quarantine

A. Regulated materials may not be grown, harvested, sold, stored or moved out of or within a quarantined area except under special permit issued by the state entomologist.

B. Regulated materials grown, harvested, sold, stored or transported within a quarantined area in the absence of a special permit issued by the state entomologist are subject to destruction at the discretion of the state entomologist.

C. Regulated materials may not be moved from a quarantined area into a pest-free area within Louisiana unless accompanied by a fumigation certificate issued by the state entomologist or by the appropriate official within the state of origin.

D. Regulated materials located within a quarantined area may, at the sole discretion of the state entomologist, be destroyed or disposed of to protect the plant life of the quarantined area. Whenever the state entomologist determines that restricted materials must be destroyed, such destruction shall be performed in a manner approved by the state entomologist. The cost of destruction of such materials shall be borne by the owner of such materials.

§9513. Movement, Sale, Offer for Sale and/or Storage of Host Materials

A. No host materials may be transported out of Louisiana unless:

1. A valid certificate permit issued by the department accompanies each shipment; and

2. If required by the state of destination, a valid certificate permit tag and/or a fumigation certificate accompanies each shipment.

B. No host materials may be transported into or within Louisiana unless:

1. A valid certificate permit issued by the department or the state of origin accompanies each shipment; and

2. A valid certificate permit tag issued by the department or the state of origin is attached to each container in the shipment.

§9515. Issuance of Certificate Permits, Certificate Permit Tags and Fumigation Certificates

A. Certificate permits, certificate permit tags and fumigation certificates may be obtained by application, in writing, to the state entomologist or a local inspector.

B. Certificate permits and certificate permit tags for movement or sale of restricted material will be issued whenever an inspection reveals that such materials are free of any infestation of the specific plant pest or disease subject to regulation. No certifi-

cate permit or certificate permit tag will be issued when such materials are found on inspection to be infested with the plant pest or disease.

C. Container certificate permit tags must be attached to each container of a shipment prior to issuance of a certificate permit.

D. Certificate permits, certificate permit tags and/or fumigation certificates may be cancelled by the state entomologist whenever, in his sole judgment, such cancellation is necessary to prevent the spread of any plant pest or plant disease within Louisiana.

E. Certificate permits, certificate permit tags and fumigation certificates become invalid after one shipment and/or one sale.

§9517. Responsibility

The owner of any property on which restricted material is stored, planted, cultivated or grown, and any tenant leasing such land, shall be jointly responsible for compliance with these rules and regulations and any other requirements imposed by the state entomologist to eradicate, control and prevent the spread of any plant pest or disease.

§9519. Shipment for Scientific Purposes

These regulations do not apply to shipments of regulated materials, under proper safeguards, to the United States Department of Agriculture, or to recognized state institutions for scientific purposes, except that a special permit issued by a duly authorized state or federal plant quarantine inspector must be attached to the outside of the container.

§9521. Prohibitions

No person shall in any way interfere with any agent or inspector representing the state entomologist during the performance of an inspection of premises or other property, the application of suppressive measures for the control or eradication of any plant pest or disease, or the destruction of any plants, plant products or parts, host materials or any other regulated materials.

§9523. Host Materials

The following materials are declared to be host materials for the plant pests or diseases indicated:

Plant pest/disease	Host materials
A. Sweet potato weevil (*Cylas formicarius, elegantulus,* Sum.)	Dehydrated sweet potatoes; sweet potato roots, plants, vines or parts thereof; and containers used for transportation or storage of all such hosts
B. Pink bollworm (*Pectinophora gossypiella,* Saunders)	All parts of cotton and wild cotton plants of the genus gossypium, seed cotton, cottonseed, cotton lint, cotton linters, okra, kanef, cotton waste, gin trash, cottonseed hulls, cottonseed cake, cottonseed meal, used bagging and other wrappers for cotton, used cotton harvesting equipment, used picking sacks and any other farm products, equipment, household goods, ginning and oil mill equipment, means of conveyance and any other articles which may serve as host materials
C. Brown garden snail (*Helix aspersa*)	Ornamental, horticultural and nursery stock
D. Leaf scale (*Xanthomonas albilineans*)	Sugar cane plants, stalks, cuttings and seed; maize
E. Lethal yellowing	1. *Cocos nucifera* L. (Coconut palm) - all varieties, including Malayan dwarf 2. *Veitchia merrillii* (Becc.) H. E. Moore (Christmas palm or Adonidia) 3. *Pritchardia pacifica* Seem. & H. Wendl 4. *Pritchardia thurstonii* F. Muell, & Drude 5. *Arikuryroba* spp. (Arikury palm) 6. *Corypha* spp. (Talipot palm) 7. *Phoenix reclinata* Jacq. 8. *Phoenix caririensis* Hort. ex Chab (Canary Island date) 9. *Phoenix dactylifera* L. 10. *Trachycarpus fortunei* Wendl. (Windmill palm) 11. *Mascarena verschaffeltii* (Wendl.) Bailey (Spindle palm) 12. *Caryota mitis* Lour. (Cluster fishtail palm) 13. *Borassus flabellifer* L. 14. *Chrysalidocarpus cabadas* H. E. Moore (Cabada palm) 15. *Dictyosperma album* (Bory) H. Wendl. & Drude (Hurricane or princess palm)
F. Sweet potato mosaic	Sweet potato tubers, plants, vines, cuttings, draws and slips; morning glory plants
G. Tristeza, xyloporosis, psorosis, exocortis	Citrus nursery stock, scions and budwood
H. Burrowing nematiode (*Radopholus similis*)	All plants with roots; all earth; all sand; and all parts of plants produced below soil level Exceptions: 1. aquatic plants if free from soil; 2. air plants, including certain orchids, grown in soil-free media; 3. air layered plants if roots are still established in the original soil-free moss wrappings; 4. dormant bulbs and corms if free from roots and soil; 5. fleshy roots, corms, tubes and rhizomes for edible or medicinal purposes if washed or otherwise freed of soil; and 6. industrial sand and clay.
I. Oak wilt (*Chalara quercina*)	Rooted trees, seedlings and/or propagative parts of oak (*Quercus* spp.), Chinese chestnuts (*Castanea mollissima*), tanoak (*Lithocarplus deniflorus*) and bush cinquapen (*Castanopsis sempervirens*), but not including seeds thereof
J. Phony peach	All peach, plum, apricot, nectarine and almond stock

Subchapter B. Nursery Stock Quarantines

§9525. Applicability of General Quarantine Regulations

Nursery stock is subject to all pertinent provisions of the general quarantine regulations and to the regulations contained in this Subchapter.

§9527. Citrus Nursery Stock, Scions and Budwood

A. The purchaser in Louisiana of out-of-state nursery stock will be held responsible for proof of origin of citrus trees in his possession. Purchase receipts will be considered adequate proof of origin, but citrus invoice reports will not be considered adequate proof.

B. Citrus nursery stock, scions and/or budwood may move into Louisiana from areas where tristeza is not known to occur, provided the certifying official in the state of origin states on the

certificate of inspection that the nursery is located in an area of the state of origin in which tristeza is not known to occur.

C. Citrus nursery stock, scions and/or budwood may move into Louisiana from areas in which tristeza is known to occur, provided it has been grown under a citrus budwood registration programs against tristeza, xyloporosis, psorosis and exocortis, and provided that under this registration program the following are required:

1. The nursery stock, scions and/or budwood is from parent stock that has been tested on trifoliata rootstock at least three years and shows no indication of exocortis.

2. The nursery stock, scions and/or budwood is from parent stock which has been indexed and found free of tristeza within 12 months before shipment.

3. The nursery stock, scions and/or budwood is from parent stock that has been indexed and found free of xyloporosis and psorosis.

4. The grower has filed a copy of his nursery certificate of inspection with the state entomologist.

5. Each shipment is accompanied by a Louisiana citrus permit tag and a budwood registration tag issued by the appropriate certifying official in the state of origin.

6. Each shipment is accompanied by a citrus invoice report issued by the certifying official of the state of origin, showing the name of the grower; name of consignee; number of trees, scions and/or buds; registered number of parent trees; variety of bud and kind of rootstock. If shipment includes budwood, it must be accompanied by a bud cutting report. A copy of the invoice and bud cutting report, when required, must be mailed to the state entomologist prior to shipment.

§9529. Phony Peach

Permit certificates shall be issued for nursery stock originating in an area known to be infested with phony peach only on the following conditions:

A. That each nursery in the infested areas shall apply to the state entomologist for approval of the proposed nursery-growing site on or before August 15 of each year;

B. That nursery sites shall be at least 300 yards from wild plum, one-half mile from phony infested commercial orchards and one-half mile from urban areas;

C. That all area within a one-half mile radius of the nursery site shall be inspected prior to October 1 of each year, and all phony trees found within such environs removed prior to November 1 of the year in which phony infested trees are found; and

D. That all budding shall be restricted to the slipbud method.

§9531. Brown Garden Snail

Nursery stock being transported into or within Louisiana from any area quarantined against the brown garden snail must be accompanied by a certificate of nursery inspection. Nurseries infested with the brown garden snail will be permitted to transport nursery stock into or within Louisiana only when such stock is accompanied by a certificate stating that the stock has been fumigated in an airtight chamber with methyl bromide at the rate of two and one-half pounds per 1,000 cubic feet at 70 degrees F or above for two hours, or with HCN at the rate of 25 cc per 100 cubic feet for one hour at 50-85 degrees F.

Subchapter C. Sweet Potato Weevil Quarantine

§9533. Applicability of General Quarantine Regulations

Sweet potato plants, plant products and parts thereof and host materials for the sweet potato weevil are subject to all pertinent provisions of the general quarantine regulations and to the regulations contained in this Subchapter.

§9535. Definitions Applicable to this Subchapter

1. *Commercial kiln and storage houses* means any buildings wherein sweet potatoes produced by different farmers are assembled and stored.

2. *Farm kiln* or *storage house* means a building or enclosed structure located on a farm in which sweet potatoes grown solely on said farm are stored.

3. *Non-sweet potato area* means any area in which the planting, bedding, permitting to grow to maturity or storage of any material which acts as a host for the sweet potato weevil is prohibited.

4. *Processing plants* means canning and dehydrating plants.

5. *Sweet potato dealer* means a person commercially engaged in the handling, sale, offering for sale and/or movement of sweet potatoes.

§9537. Issuance of Certificate Permits, Fumigation Certificates and Certificate Permit Tags for the Movement of Restricted Material

A. From Pest-free Areas

Certificate permits and green certificate permit tags authorizing the movement of restricted material from the pest free area to points within and outside of Louisiana will be issued by the state entomologist when inspection of the restricted material indicates that the restricted material is free of the sweet potato weevil.

B. From Quarantined Areas

Certificate permits and pink certificate permit tags authorizing movement from or within the quarantine area will be issued by the state entomologist under the following conditions:

1. The material is inspected and found apparently free of the sweet potato weevil.

2. The person desiring such movement has a Sweet Potato Dealer's Certificate Permit if required to possess such permit under the provisions of LAC 7:9547 hereof.

3. The regulated material is not moved from a quarantine area into a pest-free area, unless fumigated, or to any state which may prohibit entry of such restricted material.

4. The lot of sweet potatoes, if moving by truck to an area which permits entry of restricted material, is sealed in the truck body by an inspector or agent of the department by the use of not more than two seals. Tarpaulins or other means used to seal the truck body must be approved by the department in advance of moving sweet potatoes. The seal shall not be broken until the truck reaches the destination shown in the certificate permit authorizing the movement of the sweet potatoes. If the truck load is comprised of mixed produce including one or more containers of sweet potatoes, the entire load of produce must be sealed in the truck before leaving the loading point; a permit covering the sweet potatoes must be issued.

5. Fumigation certificate permits authorizing the movement of restricted material from quarantined areas will be issued when such restricted material is inspected, found apparently free of the sweet potato weevil and fumigated with an approved fumigant in such dosages and at such temperature and time of exposure as prescribed by and under the immediate supervision of a representative of the department.

C. Tagging

Container certificate permit tags issued to meet the requirements of this Section and similar requirements of other states shall be attached to each container in a load or shipment of sweet potatoes before a certificate permit authorizing movement may be issued.

§9539. Effect of Quarantine for Sweet Potato Weevil

A. The growing and/or storing of restricted material, or allowing restricted material to grow to maturity, is prohibited in areas declared to be non-sweet potato areas, except under special permit issued by the state entomologist. Any restricted material found

in non-sweet potato areas shall be disposed of in a manner approved by the state entomologist.

B. Planting Stock

Owners and/or persons in charge of infested properties within a quarantined area may save their own seed sweet potatoes, provided that:

1. Such seed sweet potatoes have been hand selected and are apparently free of the sweet potato weevil.

2. Such seed sweet potatoes are properly treated with materials and methods approved by the state entomologist at the time of storage.

3. No seed sweet potatoes, plants, vines and/or cuttings shall move within a quarantined area except those which have been inspected by the department and found to be apparently free of the sweet potato weevil.

C. Seed Beds and Field Plantings

No seed beds and/or field plantings of sweet potatoes may be located on infested properties or properties adjacent to infested properties unless approved by the state entomologist.

D. Final Date of Harvesting

All sweet potato fields on infested properties shall be harvested by December 1 of each year and thoroughly surface-cleaned by the owner and/or tenant or renter within 15 days after harvesting. Such fields shall be thoroughly disked or plowed at least once by January 1 following the production year.

E. Destruction of Sweet Potatoes in Seed Beds

Sweet potatoes in seed beds on infested properties and/or properties within a one-mile radius of infested properties shall be destroyed immediately after such potatoes have served the purpose of supplying plants or slips for field plantings on the farm on which the plants or slips were produced, and not later than July 15 of each year.

§9541. Handling, Storage and Processing of Sweet Potatoes Within Quarantined Areas

A. Sweet Potatoes Treated with Approved Chemicals

There shall be no date limit on the shipment of sweet potatoes from a quarantined area, provided:

1. Sweet potatoes to be marketed after April 1 must be treated with approved chemicals before February 28;

2. The applicator used to apply the chemical must be approved by the department;

3. The chemical must be applied under the supervision of a representative of the department;

4. The wash water from sweet potatoes treated with chemicals must be disposed of in a manner approved by the department; and

5. Sweet potato packing sheds, canning plants and/or storage houses, containers and equipment used in handling sweet potatoes must be treated in a manner prescribed by the state entomologist as soon as possible after final disposal of a crop of sweet potatoes.

B. Sweet Potatoes Not Treated with Approved Chemicals and/or Heavily Infested with Sweet Potato Weevil

1. Unprocessed sweet potatoes shall not be held in canning plants, storage or warehouses on infested properties; moved in any manner; or sold or offered for sale, except hand-selected seed sweet potatoes which have been properly treated as permitted in LAC 7:9541(A) after April 1 following the year of production. This provision shall apply to all sweet potatoes even though previously inspected and certified for sale and movement. Sweet potato packing sheds, canning plants and/or storage houses, containers and equipment used in handling sweet potatoes must be treated in a manner prescribed by the state entomologist unless a special permit extending the deadline is issued by the state entomologist.

2. Sweet potatoes shall not be stored in so-called dirt banks on infested properties except seed sweet potatoes stored and handled under such conditions and requirements as prescribed by the state entomologist.

C. Sanitary Measures

Persons operating packing sheds, assembly points, processing plants and/or storage houses shall:

1. not permit loose sweet potatoes, sweet potato culls or parts of sweet potatoes to accumulate on or under floors of storage houses, processing plants or any place that sweet potatoes are cleaned.

2. dispose of all sweet potato weevil host material daily by processing for feed purposes or by burning; if necessary to haul host material from the place of accumulation for processing or burning, such hauling shall be done in an approved tight-body truck or container and covered with a tarpaulin when necessary;

3. not allow sweet potatoes, sweet potato crowns and roots or parts thereof to be carried off in water used in washing sweet potatoes;

4. not permit the sale or movement to any farm of culled sweet potatoes or sweet potato parts, except under special permit issued by the state entomologist; and

5. in quarantined areas, empty second-hand containers must be cleaned free of host materials before being permitted to move from packing sheds or processing plants.

§9543. Inspection Fees

A. An inspection fee of two cents per bushel shall be charged for each inspection for movement and/or marketing of sweet potatoes.

B. The fee on sweet potatoes moving to processing plants shall be collected on the basis of the amount of purchase less 10 percent for breakdown and shrinkage while in storage.

C. Time When Fees Are to be Collected

1. Truck operators and shippers - Fees are collected at the time the sweet potatoes are inspected and a certificate permit is issued to authorize sale or offer for sale or movement of the sweet potatoes.

2. Processing plants - Fees are collected at the time the sweet potatoes are inspected and moved into a plant for processing and/or packed to be shipped as non-processed potatoes.

3. Storage houses and/or packing shed operators - Fees are collected at the time the sweet potatoes are inspected and a certificate permit is issued to authorize sale, movement or shipment of the sweet potatoes.

4. Other persons - Fees are collected at the time the sweet potatoes are inspected and a certificate permit is issued to authorize movement and/or sale of the sweet potatoes.

§9545. Penalties for Violation of Sweet Potato Weevil Quarantine

A. Any person found guilty of violating a sweet potato weevil quarantine shall be subject to a fine of not less than $10 nor more than $100, or by imprisonment of not less than 10 days nor more than 30 days in the parish jail, or both.

B. A sweet potato dealer's certificate permit shall be suspended if the holder thereof fails to comply with the provisions of these regulations, the sweet potato dealer's cerfiticate permit shall be revoked, subject to a finding in support of such action in a properly conducted administrative hearing.

C. Sweet potato plantings found in a non-sweet potato area will be destroyed at the expense of the person or persons responsible for the plantings.

D. Regulated material found in violation of these regulations shall be destroyed and/or disposed of in a manner approved by the state entomologist at the expense of the person or persons responsible for the restricted material.

§9547. Sweet Potato Dealer's Certificate Permit

A. Persons engaged in commercial handling, sale, offer for sale and/or movement of sweet potatoes shall not store, clean, grade, pack for sale, process in any manner or move sweet potatoes without a valid sweet potato dealer's certificate permit.

B. Applicants for Sweet Potato Dealer's Certificate Permit shall:

1. complete and file the affidavit required by the department; and

2. file a bond in the amount of $1,000 with the commissioner, which bond shall be conditioned upon the following:

a. a guarantee to reimburse any purchase price of sweet potatoes which are confiscated because of sweet potato weevil infestation or unauthorized movement;

b. an agreement to permit, at the dealer's cost, the destruction by an inspector of the department or the return to point of origin of any sweet potatoes moved or moving without authorization or infested with sweet potato weevil.

C. The provisions of this Section do not apply to farmers moving sweet potatoes directly from the farm to a storage house, processing plant or to a cleaning, grading or packing shed.

Subchapter D. Pink Bollworm Quarantine Regulations

§9549. Applicability of General Quarantine Regulations

Cotton plants, plant products and parts thereof and host materials for the pink bollworm are subject to all pertinent provisions of the general quarantine regulations and to the regulations contained in this Subchapter.

§9551. Definitions Applicable to Pink Bollworm

Approved gin means a gin with a pink bollworm kill efficiency rating of 90 percent or better.

Disinfected or *disinfested seed* means cottonseed treated in a manner and by a method approved by the state entomologist to kill pink bollworm present in any stage of development.

§9553. Articles Restricted or Prohibited for Intrastate Movement

A. Regulated articles may not be moved from a regulated area to a pest-free area except under certification.

B. Untreated and/or unmanfactured regulated articles may not be moved within a regulated area except under permit.

C. The following articles are exempt from the prohibition contained in this Section under conditions as shown for each article:

1. compressed baled cotton lint, linters and lint cleaner waste when such products have been given standard or equivalent compressions;

2. samples of cotton lint and cotton linters of the usual trade size;

3. cottonseed cake;

4. cottonseed meal; and

5. edible okra grown within a locality in which no pink bollworm is known to be present.

§9555. Certificates for Intrastate Movement

In addition to pertinent requirements contained in the general quarantine regulations (Subchapter A of this Chapter), the following conditions apply to issuance of certificates:

A. Cottonseed

A certificate for intrastate movement of cottonseed will be issued only when the cottonseed are ginned in an approved gin with an approved treatment under the supervision of a department inspector.

B. Cottonseed Hulls Produced From Treated Cottonseed

Certificates for intrastate movement of treated cottonseed hulls from a regulated area may be issued when such hulls are:

1. produced from sterilized seed originating in a regulated area;

2. processed in an authorized cotton oil mill under the supervision of an inspector; and

3. subsequently protected from infestation.

C. Cottonseed Hulls Produced From Untreated Cottonseed

Certificates for intrastate movement of untreated cottonseed hulls from a regulated area may be issued when the hulls are produced from unsterilized seed processed in a designated oil mill and treated by passing through an approved fan.

D. Okra

1. Certificates for the intrastate movement of edible okra originating in a regulated area outside the State of Louisiana may be issued when the shipment is inspected and found to be free of pink bollworm infestation.

2. Dried okra seed originating in a regulated area shall be disinfected in an approved manner before being permitted to move within or outside of the regulated area.

§9557. Limited Permits for Intrastate Movement

In addition to pertinent requirements contained in the general quarantine regulation (Subchapter A of this Chapter), the following conditions apply to issuance of limited permits:

A. Cotton Lint and Linters

Cotton lint or linters, either baled or unbaled, may be moved intrastate to designated cotton compresses or approved processing plants with a limited permit.

B. Non-certified Regulated Articles

Non-certified regulated articles may be moved intrastate under a limited permit only to authorized and designated cotton gins, cottonseed oil mills or processing and manufacturing plants and only for treatment incidental to preparing such products for certification. In such event, operators of cotton gins, cottonseed oil mills and other manufacturing plants must agree in writing to the following:

1. to segregate processed regulated articles from non-processed regulated articles;

2. to assure efficient functioning of processing equipment;

3. to dispose of gin trash and/or waste on a daily basis;

4. to use uncontaminated containers for processed products to prevent contamination;

5. to maintain the identity of regulated and non-regulated products;

6. to maintain such other sanitary safeguards against the establishment and spread of infestation as may be required by the state entomologist; and

7. to comply with any other restrictions as to handling and subsequent movement of regulated articles as may be required by the state entomologist.

C. Untreated Cottonseed

A limited permit may be issued for the intrastate movement of untreated cottonseed from an approved cotton gin to a designated oil mill or other authorized processing plant under such conditions as may be stipulated in the dealer-carrier agreement.

§9559. Treatment Required for Materials Originating in Regulated Areas

A. When contaminated with cotton products originating from states other than Louisiana which are infested with pink bollworm or from a regulated area within Louisiana, the following shall not be moved interstate or intrastate until freed from contamination to the satisfaction of an inspector:

1. railway cars, trucks or other vehicles;

2. cotton bagging or other containers of cotton;

3. cotton processing machinery;

4. farm household goods;

5. farm equipment;

6. used picking sacks;

7. personal belongings of transient pickers;
8. farm products; and
9. any other contaminated articles.

B. When contaminated articles listed in Subsection A hereof are cleaned to the satisfaction of the inspector, no certificate or limited permit will be required except for cotton bagging or other containers of cotton and cotton processing machinery.

C. Cotton processing equipment originating in a regulated area outside of Louisiana must be dismantled and cleaned in an approved manner to the satisfaction of an inspector, or fumigated before a permit will be issued for its movement into a pest-free area.

D. Mechanical cotton pickers and used picking sacks must be accompanied by an official fumigation certificate and sealed by the appropriate official of the state of origin.

§9561. Cultural and Other Requirements in Regulated Areas

A. Destruction of Cotton Plants

1. Immediately after harvesting a commercial crop, and not later than December 31 in any year, all cotton plants and parts thereof shall be plowed under and thoroughly covered to expedite decay of this material, provided that the state entomologist may approve other methods of destruction under conditions as shown in this Section.

2. The state entomologist may approve close grazing of cotton fields in lieu of plowing, under conditions stipulated in the dealer-carrier agreement. Application for approval for close grazing in lieu of plowing must be made, in writing, to the department no later than November 1 in any given year.

3. The state entomologist may issue a special permit to allow shredding of cotton stalks with a conventional rotary shredder prior to December 31, in lieu of plowing, for fields which have been planted to leguminous cover crops prior to harvest of the cotton crop. Application for this permit must be made to the state entomologist prior to November 1 in any given year.

B. Handling of Seed Cotton and Cottonseed

1. No seed cotton shall be held over on any farm, or at any cotton gin, warehouse or any other place for any purpose whatsoever after Janurary 31 in any year.

2. Seed cotton moving from farm to gin shall be covered in such a manner as to prevent spillage.

3. Cottonseed may be returned without treatment from an approved gin to the farm of origin within a regulated area.

4. Cottonseed may move to farms other than the farm of origin within the regulated area provided it is gained at an approved gin and delinted at an approved delinting plant.

5. Cottonseed may be moved outside a regulated area only after approved treatment under an inspector's supervision, except when moved to designated oil mills for processing.

C. Gin Trash Disposal

1. In addition to other normal gin sanitation measures, gin trash must be disposed of daily to avoid harboring the pink bollworm.

2. Gins shall provide a reasonable means for inspection of gin trash disposal procedures.

3. All gins in a regulated area must be throughly cleaned by February 10 in any given year.

§9563. Dealer-Carrier Agreement

As a condition for the issuance of certificates or limited permits for intrastate movement of regulated articles by persons engaged in purchasing, assembling, ginning, processing, transporting or storing such regulated articles, such persons must have a dealer-carrier agreement with the department. Holders of dealer-carrier permits must agree to:

A. maintain an accurate record of receipts and sales, shipments or services and such record shall be available at all times for examination by an inspector; and

B. carry out any and all conditions, treatments, precautions and sanitary measures which may be required by the department.

Subchapter E. Repeal of Prior Rules and Regulations

§9565. Repeal of Prior Rules and Regulations

All prior rules and regulations adopted and approved in accordance with R.S. 3:1651 through 1805 are hereby repealed in their entirety.

Bob Odom
Commissioner

RULE

Department of Agriculture
Office of Agricultural and Environmental Sciences

In accordance with the provisions of the Administrative Procedure Act (R.S. 49:950 et seq.), the Department of Agriculture adopted the repeal of the following rules and regulations which have been filed with the Department of the State Register or promulgated by the Department of Agriculture and published in the *Louisiana Register* pursuant to the Notice of Intent published on January 20, 1985:

Office of Agricultural and Environmental Sciences:
Fertilizer Commission

Fertilizer Commission (December, 1978)
Horticulture Commission

Horticulture Regulations (September 1, 1975)

Horticulture Regulations (Place of Business) (November, 1977)

Horticulture Commission (Licensees Identification) (February, 1980)

Horticulture Commission (Examination Fees for Licensure in Landscape Architect) (January, 1981)

Horticulture Commission (Landscape Architect Application Manual) (November, 1977)

Bob Odom
Commissioner

RULE

Department of Agriculture
Office of Agricultural and Environmental Sciences
Structural Pest Control Commission

In accordance with the provisions of the Administrative Procedure Act (R.S. 49:950 et seq.), the Department of Agriculture, Structural Pest Control Commission, in accordance with the authority granted under R.S. 3:3306 and pursuant to the Notice of Intent published on January 20, 1985, adopted the following rules and regulations for the Structural Pest Control Commission at its commission meeting on April 10, 1985. These rules and regulations were previously adopted by the Structural Pest Control Commission under the authority of R.S. 40:1263 (B).

Title 7
AGRICULTURE AND ANIMALS
Part XXV. Structural Pest Control Law
Chapter 141. Structural Pest Control Commission

§14101. Definitions

Act and/or *Part* means Title 3, Sections 3301-3317 of the Revised Statutes of 1950, as amended (the Structural Pest Control Law).

Adjudicatory proceeding means an open public hearing by the commission to determine whether violations of the Act or these rules and regulations have occurred.

Applicant means any person making application for a license to engage in operations coming under the provisions of this Part.

Availability, with reference to direct supervision, means that the licensee must be able to reach the job site within three hours after receipt of a call or have established another licensee to supervise his operations (see definition of direct supervision in LAC 7:14101).

Bond means a written instrument issued or executed by a bonding, surety or insurance company licensed to do business in this state, guaranteeing the fulfillment of the agreement between the licensee or business entity and his customer and insuring against fraudulent practices by the licensee or business entity.

Branch office means any site, i.e., office, store, warehouse, etc., where any kind of structural pest control services are offered to the general public.

Business may mean either a single person or a group of persons organized to carry on the business of structural pest control.

Certified applicator, for purposes of these regulations, means any person who holds a valid license as herein provided.

Commission means the Structural Pest Control Commission.

Commissioner means the Louisiana Commissioner of Agriculture.

Contract means a written agreement executed by a licensed pest control operator services for the provision of specific pest control services.

Direct supervision means physical contact at least once within five consecutive working days by the licensee with all employees registered under his supervision, including giving routine and/or special instructions, prescribing pesticides, calculating volume of pesticides to be applied, calibrating equipment and being available, whenever and wherever needed, to handle any emergency situations which might arise (see definition of availability in LAC 7:14101).

Employee means any person employed by a licensee with the exceptions of clerical, janitorial or office maintenance employees or those employees performing work completely disassociated with the control of insects, pests, rodents and the control of wood-destroying organisms.

EPA means the United States Environmental Protection Agency.

FIFRA means the Federal Insecticide, Fungicide and Rodenticide Act.

Fumigant means any substance which by itself or in combination with any other substance emits or liberates a gas or gases, fumes or vapors which destroy vermin, rodents, insects and other pests, which are usually lethal, poisonous, noxious or dangerous to human life.

Insecticides means substances, not fumigants, under whatever name known, used for the destruction or control of insects and similar pests.

Label means the written, printed or graphic matter on or attached to a pesticide or device or any of its containers or wrappers.

Labeling means all labels and other written, printed or graphic matter (1) accompanying a pesticide or device at any time, or (2) to which reference is made on the label or in literature accompanying the pesticide or device, provided that the term does not apply to current official publications of the EPA; the U.S. Departments of Agriculture, Interior or Health, Education and Welfare; state experiment stations; state agriculture colleges; and other similar federal and state institutions and agencies authorized by law to conduct research in the field of pesticides.

License means a document issued by the commission which authorizes the practice and/or supervision of one or more phases of structural pest control work, as follows:

1. *General Pest Control* - the application of remedial or preventive measures to control, prevent or eradicate household pests by use of pesticides used as sprays, dusts, aerosols, thermal fogs, barriers, traps and baits. Residential rodent control will be limited to the use of anti-coagulent rodenticides and traps.
2. *Commercial Vertebrate Control* - the application of remedial or preventive measures to control, prevent or eradicate vertebrates, including baits, chemicals, barriers, gases and traps, in non-residential establishments, but not including tarpaulin fumigation.
3. *Termite Control* - the application of remedial or preventive measures for the control, prevention or eradication of termites and other wood-destroying insects.
4. *Fumigation* - the use of lethal gases and/or rodenticides in a gaseous form for the control, prevention or eradication of insect pests, rodents, or other pests in a sealed enclosure with or without a tarpaulin.

Licensee means the person who holds a valid license as herein provided.

Non-residential establishment means, but shall not be limited to, hotels, motels, schools, hospitals and nursing homes.

Person means any individual, trust, firm, joint stock company, corporation (including a governmental corporation), partnership, association, cooperative association or any political subdivision of this state or the United States which engage in the work of structural pest control whether for remuneration or during the course of other work being performed.

Pest, household means all species of insects and other pests which infest residences and other types of buildings and their immediate premises, such as cockroaches, flies, fleas, mosquitoes, clothes moths, spiders, carpenter ants, carpenter bees, rodents and so forth, but does not include wood-destroying organisms.

Place of business means the entire premises to which the public generally is expressly or impliedly invited for the purpose of transacting business with the owner and is simply a location where business is transacted, or a shop, office, warehouse or commercial establishment, and shall be indicated on the application and the license.

Registered employee means an employee registered as provided by this Chapter.

Registration certificate means a document issued by the commission staff to a non-licensed employee of a business engaged in structural pest control work.

Repellents means substances, not fumigants, under whatever name known, which may be toxic to insects and related pests, but generally employed because of their capacity for preventing the entrance or attack of pests.

Restricted-use pesticide means a pesticide that is classified for restricted use by the administrator of the Environmental Protection Agency under the Federal Insecticide, Fungicide and Rodenticide Act.

Rodent means any of several mammals, such as rats and mice, commonly associated with man-made structures characterized by constantly growing incisors adapted for gnawing or nibbling.

Rodent control means the use of remedial measures such as baits, chemicals, barriers, gases and traps which are acceptable means of controlling rodents.

Rodenticides means substances, not fumigants, under whatever name known, used for the destruction or control of rodents.

Secretary or *secretary of the commission* means the state entomologist.

Spot treatment when used in reference to termite control work means a localized application of chemicals or other substances to control, prevent or eradicate termites in a residence or other structure.

Structural pest control means the regulation, control, extermination and eradication of wood-destroying organisms, or fumigation, the identification of infestations or infections, the making of inspections, the use of pesticides, including insecticides, repellants, rodenticides, and fumigants, as well as other substances, mechanical devices or structural modifications under whatever name known, for the purpose of preventing, prescribing remedies, controlling and eradicating insects, vermin, rodents and other pests in household structures, commercial buildings, vacant structures, other structures or products therein, including adjacent outside areas, as well as all phases of commercial fumigation, including treatment of products by vacuum fumigation, and the fumigation of railroad cars, trucks, ships, airplanes, docks, warehouses and common carriers; nothing in this Chapter shall in anyway affect the control and/or eradication of agricultural pests.

Termites means all species of the order *Isoptera* which infest timbers and/or other materials containing cellulose in buildings and/or contents thereof, subdivided into two groups according to their habits, as follows:

1. *Subterranean termites* means all species of termites which make tubes, but not pellets, and normally require contact with soil; especially species of the genera reticulitermes and coptotermes.

2. *Dry-wood termites* means all species of termites which make pellets, but not tubes, and do not require contact with damp soil; especially species of the genera kalotermes, cryptotermes and incisitermes.

Termiticide means any substance applied to buildings, wood products or soil for the treatment of termites.

Vertebrate means those pests, such as rodents, bats and birds, belonging to the phylum vertebrata.

Violation means any act which is prohibited by the Act or any of these rules and regulations. Violations shall be classified in accordance with degree of severity, as follows:

1. *Minor violation* - any act prohibited by the Act or these rules and regulations which does not result in danger to human health or damage to personal property, including, but not limited to, clerical error or failure to make timely reports to the commission.

2. *Moderate violation* - any act of negligence in meeting the guarantees of an agreement for structural pest control work in the licensure phase where the violation occurs, such as failure to apply chemicals in accordance with label and labeling requirements and minimum specifications (see LAC 7:14135).

3. *Severe violation* - any act which may affect human health and safety.

Wood-destroying organisms means and includes all species of insects, fungi or other organisms which attack and damage wood in buildings for obtaining food for themselves and perpetuating the species, such as the old house borer, powder post beetles, termites and wood decay.

Wood-infestation report means any written document issued by a pest control operator which pertains to subterranean termites, but not including a bid, a proposal or a contract for any structural pest control services.

§14103. Administration of the Affairs of the Commission; Adoption of Rules and Regulations

A. As provided by R.S. 3:3304, the commissioner of agriculture shall serve as permanent chairman of the commission.

B. The state entomologist shall serve as secretary of the commission.

C. In the absence of the chairman, the secretary shall preside at meetings of the commission.

D. The chairman shall designate a hearing officer, who may or may not be a member of the commission, to preside at all adjudicatory proceedings of the commission.

E. The commission shall serve as the hearing body in all adjudicatory proceedings and shall make the final decision with regard to the disposition of matters coming to adjudication.

F. The commission shall hold regular meetings at least once during each quarter, during the months of January, April, July and October.

G. Meetings of the commission shall normally be held in the domicile of the commission.

H. Meetings may be held at locations other than the domicile of the commission upon the determination of the chairman or at the written request of any three members of the commission.

I. Special meetings of the commission may be called at any time by the chairman.

J. Whenever at least three members of the commission desire to call a special meeting, the three members shall so advise the chairman in writing and the chairman shall call a special meeting to be held within 30 days after the receipt of the members' request.

K. If the chairman fails or refuses to call a special meeting upon the proper request of three members, the members may convene a special meeting of the commission by written notice to the remaining members.

L. The secretary shall notify each member of the commission by certified mail of any regular or special meeting at least one week prior to the meeting date.

M. The secretary shall provide clerical and other support services as may be required by the commission and shall maintain and distribute appropriate minute records of all meetings of the commission.

N. There shall be no voting by proxy.

O. Three members of the commission shall constitute a quorum, and no action shall be taken without three votes in accord.

P. Rules and regulations of the commission, and amendments thereto, shall be noticed, adopted and promulgated as required by the Administrative Procedure Act.

Q. In addition to the requirements of the Administrative Procedure Act, the commission shall also provide prior written notice of any public hearing for consideration for adoption and/or amendment of any rules and regulations to all licensees at the last address reported by each licensee at least seven days prior to any such hearing.

§14105. Permit for Operation of Structural Pest Control Business Required

A. Every place of business engaged in structural pest control work must obtain a permit for operation from the commission prior to engaging in structural pest control work.

B. No permit for operation shall be issued by the commission unless there is a licensee domiciled on a full-time basis at the business location for which the permit is sought.

C. Each permit for operation must be renewed annually, on or before June 30 of each year.

D. The fee for issuance of a permit for operation shall be $100 for firms which employ two or less employees and $150 for firms which employ three or more employees.

E. The fee for renewal of a permit for operation shall be $100 for firms which employ two or less employees and $150 for firms which employ three or more employees.

F. When two or more businesses which are separate legal entities, even though owned by the same individual or the same

legal entity, are operated at one physical location, each separate entity must obtain a permit for operation.

G. Whenever a license is suspended or revoked under LAC 7:14121, the commission may also revoke the permit to operate. In such cases, the commission shall recall the permit and require the licensee to immediately return the permit to the commission.

H. Whenever a permit is recalled by the commission as provided in LAC 7:14105(G) above, no structural pest control work of any kind may be provided by persons domiciled at the location for which the recalled permit has been issued.

§14107. License to Engage in Structural Pest Control Work Required; Qualifications of Applicant; Requirements for Licensure; Phases of Structural Pest Control License; Conditions of the License

A. No person may perform structural pest control work of any kind, or advertise to provide structural pest control services, until licensed to do so by the commission.

B. Each applicant for license must possess the following education and/or experience:

1. Graduation from a four-year college or university with a major in entomology; or

2. Completion of a minimum of four years of satisfactory structural pest control service work under the supervision of a person licensed by the commission in the phase of structural pest control work for which the license is sought. Prior experience in pest control sales work, whether the applicant was registered with the commission or not, will not be applied toward the required four years of experience in pest control service work.

C. Each applicant for licensure must also demonstrate the following competencies:

1. knowledge of the practical and scientific facts underlying the practice of structural pest control, control of wood-destroying insects and/or fumigation; and

2. knowledge and ability to recognize and control hazardous conditions which might affect human life or health.

D. Each applicant must successfully complete the appropriate examination for certification prior to issuance of the structural pest control license.

E. In addition to the qualifications required by LAC 7:14107(B) and LAC 7:14107(C), each applicant for licensure must:

1. Submit a complete application for examination as required by LAC 7:14109 hereof;

2. Be approved by the commission to take the examination for licensure;

3. Have successfully completed a written examination for licensure no more than two years prior to the date of issuance of the license;

4. Secure a permit for operation of the business location where he will be domiciled, as required by LAC 7:14105 above, provided that an applicant for license who is connected with a business location for which the commission has already issued a permit for operation need only to advise the commission of the business name and location of the permitted establishment where he will be domiciled;

5. Provide evidence of public liability insurance covering the business with which the applicant is connected, as follows:

a. not less than $25,000 coverage for one individual;

b. not less than $50,000 coverage for one accident;

c. not less than $10,000 coverage for property damage; and

d. provision for at least 10 days prior written notice to the commissioner before cancellation.

An applicant who is not connected with a business which is insured as required above must secure the specified coverages prior to issuance of the license.

6. Provide evidence of a surety or fidelity bond covering the business with which the applicant is connected, issued by a bonding, surety or insurance company authorized to do business in Louisiana, in the amount of $2,000, of tenor and solvency satisfactory to a majority of the commission. An applicant who is not connected with a business covered by the required surety or fidelity bond must secure the appropriate coverage prior to issuance of the license.

F. Out-of-state applicants for licensure must meet the educational requirements shown in LAC 7:14107(B)(1) above or produce evidence satisfactory to the commission of four years of experience under the supervision of a recognized and reputable pest control operator. Experience in pest control work in another state will be verified with the appropriate regulatory agency of the other state before an out-of-state applicant will be allowed to take the examination for licensure in Louisiana.

G. The commission shall consider each application for examination for licensure in open session. The commission may verify the contents of any application prior to taking final action to approve/disapprove the applicant to take the examination. The commission may disapprove an applicant, or defer action on the application to take the examination, in any instance when the contents of the application cannot be verified. Action to grant/deny approval for the applicant to take the examination shall be taken only upon the affirmative vote of three members of the commission. No license shall be issued until the commission has approved the applicant.

H. All applicants who are approved by the commission will, upon successfully completing the examination for licensure as set forth in LAC 7:14109 hereof, receive a single license to engage in structural pest control work, which license shall specify on the face thereof the specific phase or phases of structural pest control work for which the license is issued, as follows:

1. General pest control
2. Commercial vertebrate control
3. Termite control
4. Fumigation

I. A license to engage in structural pest control work is permanent unless suspended or revoked by the commission as provided in LAC 7:14121.

J. A licensee may perform or supervise structural pest control work only in the phase or phases of the license for which he is licensed by the commission.

K. Each license is personal to the holder and may not be transferred to another for any purpose or for any period of time and may not be utilized in any way by any person other than the licensee whose name appears on the face of the license.

L. The license must be prominently displayed in the licensee's place of business at all times.

M. The commission may deny a license to any person proven to have committed any of the violations set forth in LAC 7:14121 hereof.

N. A licensee approved in one phase of pest control work may be licensed in additional phases by successfully completing the examination for the additional phase. However, the license for additional phase or phases of structural pest control work shall not be issued until the commission approves the licensee to take the examination for the additional phase or phases.

O. Any licensee desiring to utilize a telephone answering service other than at locations holding place of business permits shall report to the commission at least 30 days prior to establishing such a telephone answering service.

§14109. Application for Examination; Contents of Application

A. Application for examination for licensure may be made

at any time by filing a complete application, on forms to be provided by the commission.

B. A complete application for examination must be filed in the commission office at least 30 working days prior to any scheduled meeting of the commission to be routinely placed on the agenda for consideration by the commission.

C. Each applicant for examination shall pay a fee of $50 at the time of submission of the application, which fee shall be nonrefundable.

D. Each application for examination must contain the following information:

1. Business name, address and phone number of the business domicile of the applicant.

2. Name and residence address of the applicant.

3. Educational qualifications. For applicants seeking licensure on the basis of educational qualifications, a certified copy of the applicant's college or university transcript must be provided.

4. Experience in pest control work. Information to be provided includes, but is not limited to, business name and address where employed under supervision, name of the licensee providing supervision to the applicant and evidence of registration while in the claimed employment. Applicants seeking licensure on the basis of experience must provide a notarized statement from the licensee of the commission who supervised the applicant, attesting to the period of supervised employment and the capacity in which the applicant was employed, said affidavit to be executed on a form to be provided by the commission. If the licensee who provided supervision is deceased, or his whereabouts are unknown, at the time of the application, the commission may (a) waive the requirement for the affidavit of the licensee or (b) verify the applicant's supervised experience by whatever means deemed appropriate by the commission.

E. Any applicant who is not qualified for licensure on the basis of education or experience will not be admitted to the examination.

F. Copies of applications for examinations may be provided to the commission members for informational purposes during the interim between commission meetings.

G. Examinations will be given once during each quarter by the director or the secretary at times or places which have been previously advertised and at no other times or places.

H. The written examination may be supplemented by oral examination and/or visual identification of specific pests and insects.

I. The minimum score required for successful completion of the examination is 70 percent.

J. Each applicant shall be notified in writing within 30 days after completing of the examination of the results thereof.

§14111. Registration of Employees; Duties of Licensee and Registered Employee with Respect to Registration

A. Each licensee must register every employee under his supervision with the commission within 30 days after the commencement of the employee's employment.

B. The licensee must complete a registration form for each employee under his supervision, on a form to be provided by the commission.

C. The registration form for each employee must contain the following information:

1. name and address of the business location where the employee is domiciled;

2. name, address and phone number of the licensee providing supervision over the employee;

3. name and residence address of the employee to be registered;

4. phase(s) of pest control work in which the employee will work and be supervised;

5. whether the employee will be engaged in sales or service;

6. date of employment of the employee; and

7. two (two inches by two inches) photographs of the employee.

D. Whenever all information required under LAC 7:14111(C) above is provided by the licensee, the staff of the commission shall issue the employee's registration certificate within 20 working days after receipt of the registration form.

E. Each registration certificate is personal to the holder and may not be transferred to another for any purpose or for any period of time and may not be utilized in any way by any person other than the registered employee whose name appears on the certificate.

F. A registration certificate is valid only while the registered employee remains under the supervision of the licensee making application for the employee's registration certificate.

G. The registration certificate will be returned to the licensee making application for registration of the employee.

H. The licensee must require the registered employee to sign the registration certificate, in the presence of the licensee, within five days after the licensee receives the registration certificate from the commission.

I. A registered employee must have his registration certificate in his possession at all times while engaging in pest control work and must display his registration certificate upon reasonable request by any representative of the commission or any person for whom pest control work is being performed.

J. An employee may perform pest control work for which he was hired without a registration certificate for a period of 30 days from the date of his employment but may not perform such work without a registration certificate in his possession for more than 30 days after the date of his employment.

K. A registered employee may perform pest control work only in the phase of pest control work for which he is registered.

L. Upon termination of a registered employee, the licensee must secure the employee's registration certificate, notify the commission of the employee's termination and return the registration certificate to the commission within five working days after the termination.

M. If the licensee is unable to retrieve the registration certificate of a terminated employee, the licensee must notify the commission of the employee's termination within five working days after the termination and provide written reasons for the failure to retrieve the terminated employee's registration certificate.

N. No employee may be registered for any permitted location if the employee has failed to return a registration certificate from another place of employment, provided that the commission may waive this requirement for any employee whose certificate was not returned through no fault of the employee.

§14113. Obligations of the Licensee

A. The licensee must keep the bond and liability insurance required under LAC 7:14107(D) in full force and effect at all times.

B. The licensee must renew the permit for operation for each business location annually prior to June 30.

C. The licensee must apply for a registration certificate for each employee under his supervision within 30 days after the employee is hired and must comply with all other requirements pertaining to registration of employees set forth in LAC 7:14111.

D. The licensee must follow label and labeling requirements in all applications of pesticides not specifically covered in LAC 7:14135.

E. The licensee shall be responsible for training the employee in the kind of work which he will perform.

F. The licensee must maintain his commercial applicator certification in current status.

G. The licensee must be available to provide direct supervision over all employees registered under his license on a regular, ongoing basis.

H. The licensee must report all termite contracts and pay all required fees as set forth in LAC 7:14115 hereof.

I. The licensee must maintain records on all applications of restricted use pesticides for a period of two years after application, including kinds, amounts, uses, dates and places of application. The licensee must make these records available to any representative of the commission for inspection at any reasonable time during normal working hours.

§14115. Contracts for Termite Control Work

A. The licensee must enter into a written agreement for termite work with the property owner employing him, which agreement must:

1. be in a form provided or approved by the commission;
2. guarantee performance for a period of not less than one year after the treatment is made;
3. guarantee treatment of the property in accordance with minimum specifications for termite control work set forth in LAC 7:14135 hereof; and
4. provide for at least one inspection of the property prior to expiration of the agreement.

B. Each contract for termite control work shall cover only one unit or one individual property, provided that the contract may include a garage appurtenant to the unit or individual property.

C. Contracts for "spot" termite treatments must guarantee the area treated for a period of one year.

D. The licensee must report to the commission, no later than the tenth day of each month, each contract for termite work which he has entered into and performed during the previous month. If no contracts were entered into or performed during the previous month, the licensee must report this fact to the commission no later than the tenth of each month.

E. The licensee shall pay fees established in R.S. 3:3314 for each termite contract reported under LAC 7:14115(D) above when the required monthly report is filed.

F. No fee shall be due to the commission for the first 10 termite contracts performed in each fiscal year by a structural pest control operator. The operator must, however, report the performance of the first 10 contracts for termite control work in the report required under LAC 7:14115(D) above. The fee established in R.S. 3:3314 is applicable to the eleventh and all subsequent contracts for termite control work in each fiscal year.

§14117. Change in Status of Licensee

A. Any change in a licensee's status (e.g. death, retirement, prolonged illness, merger of companies, sale, change of ownership, etc.) must be reported to the commission, in writing, within 14 days after the change in status occurs.

B. When any change in status occurs, provisions must be made for supervision at any location where there is no licensee during the interim until another licensee is approved by the commission for examination. The person in charge of the permitted location where the change in status occurred must notify the commission, in writing, of the name and address of the licensee providing supervision during the interim within 30 days after the change occurs.

C. When the change in status results in no licensee being domiciled at a permitted location, an applicant who is eligible for licensure must be approved by the commission for examination either (1) at the next meeting of the commission after the change in status occurs, or (2) within 90 days after the change in status occurs, whichever is later.

D. The commission may revoke the permit for operation for any permitted location where a change in status results in no licensee being domiciled at the permitted location and no eligible applicant being approved for examination as required by LAC 7:14117(C) above.

E. When the death or disability of a licensee occurs, resulting in no licensee being domiciled at the deceased's permitted location, the commission may extend the period for qualifying a new licensee for an additional 90 days before revoking or cancelling the permit for operation.

§14119. Inactive Status of License

A. Upon written notice to the commission, any licensee may place his license on inactive status, with the prior approval of the commission, during any period of time when he will not be directly engaged in pest control work.

B. Notice to the commission must include the period for which inactive status is requested and any information which may support the licensee's request for placement of his license on inactive status.

C. When the commission places a license on inactive status, the licensee shall not be required to maintain liability insurance and/or his bond in full force and effect while the license is on inactive status.

D. The license of any licensee which remains on inactive status for four years shall be revoked by the commission upon notice and hearing as required by LAC 7:14121 hereof.

E. When a license has been revoked under the authority of LAC 7:14119 (D) above, the license may not be renewed except upon compliance with all requirements for initial licensing contained in LAC 7:14107 and LAC 7:14109.

F. The commission may deny or defer action on a request to return a license to active status, regardless of the period of time when the license has been on inactive status, whenever the licensee on inactive status has been proven guilty in an adjudicatory proceeding of any of the violations enumerated in LAC 7:14121(D).

G. The commission may impose penalties simultaneously when authorizing the return of a license to active status, but only when the licensee on inactive status has been brought to an adjudicatory proceeding as provided by LAC 7:14123 and proven guilty of acts which would have been classified as violations under LAC 7:14121(D) if the license had been on active status when the acts were committed.

§14121. Adjudicatory Proceedings of the Commission; Violations

A. The commission may place a licensee/registered employee on probationary status or suspend/revoke a license/registration certificate by holding an adjudicatory proceeding noticed and conducted in accordance with the requirements of the Administrative Procedure Act and the Structural Pest Control Law.

B. Whenever the commission has reason to believe that a licensee/registered employee has violated any provision of the Act or these rules and regulations, the commission shall notify the licensee/registered employee, by certified mail, at least 30 days prior to the scheduled hearing date.

C. In addition to providing all information required by the Administrative Procedure Act, the notice required in LAC 7:14123(B) above shall state that failure to appear at the scheduled hearing may result in the suspension or revocation of the license/registration certificate.

D. The commission may place a licensee/registered employee on probationary status or suspend/revoke his license/registration certificate when any of the following violations are sustained in a properly noticed adjudicatory proceeding:

1. misrepresentation for the purpose of defrauding;
2. deceiving or defrauding;
3. knowingly making false statements;

4. failure by a licensee to provide true and correct information to the commission;

5. failure to comply with any of the requirements of the Act or these rules and regulations;

6. failure to pay required fees;

7. intentional misrepresentation in an application for license and/or employee registration;

8. conviction in any court of law violations of the Act or of any felony;

9. knowingly permitting any person under the supervision of the offender to violate any provisions of the Act or these rules and regulations;

10. failure to enter into a written contract with the property owner employing the pest control operator for termite work;

11. failure to comply with the minimum specifications for termite control work set forth in LAC 7:14135;

12. failure to follow the label and labeling requirement in the application of any pesticide not specifically covered in LAC 7:14135;

13. failure to maintain required insurance coverages and fidelity or surety bonds in full force and effect;

14. failure to fulfill the terms of any written guarantees or agreements entered into;

15. failure to attend an approved training program for commercial applicator certification during any three-year period and failure to maintain current status as a commercial applicator;

16. knowingly making any false or misleading statement in a wood-infestation report;

17. gross negligence in conducting an inspection or failing to make an inspection prior to issuance of a wood-infestation report; or

18. conviction of a violation or assessment of a civil penalty under FIFRA or Louisiana Pesticide Law.

§14123. Probationary Status of Licensee/Registered Employee

A. A license or registration certification may be placed on probationary status only upon the affirmative vote of three members of the commission at an adjudicatory proceeding noticed and conducted as required under LAC 7:14121.

B. When a minor violation is sustained before the commission in an adjudicatory proceeding, a licensee or registered employee may be placed on probation for a period not to exceed six months.

C. When a moderate violation is sustained before the commission in an adjudicatory proceeding, the licensee or registered employee may be placed on probation for a period not to exceed one year.

D. When multiple violations (i.e., violations of more than one provision of the Act or these rules and regulations or more than one violation of the same provision of law or regulations) are sustained before the commission, the commission shall consider each separate violation and take appropriate action with respect thereto.

E. Whenever any licensee or registered employee is found in an adjudicatory proceeding to have committed a severe violation or multiple violations of the Act or these rules or regulations, the commission may suspend or revoke the license/registration certificate without first imposing a period of probation.

F. Any violation of the Act or these rules and regulations during a period of probationary status will subject the offender to more severe penalties, including suspension and/or revocation of his license or registration certificate and/or the initiation of proceedings in a court of competent jurisdiction.

G. If the violations resulting in the imposition of probationary status are corrected during the period of probationary status, the probationary period shall automatically expire, without notice, at the end of the probationary period specified by the commission.

H. If the violations resulting in the imposition of the probationary status are not corrected during such period of probationary status, the commission may either: (1) renew the period of probationary status, or (2) suspend/revoke the license/registration certificate after an adjudicatory hearing noticed and conducted under LAC 7:14121.

I. The licensee/registered employee may continue to work during any period of probationary status.

J. The commission may place a licensee/registered employee on probationary status for one phase of pest control work for which he is licensed/registered without effect upon any other phase of pest control work for which he is licensed/registered.

K. The commission may place on probation all phases of pest control work for which the licensee/employee is licensed/registered for a violation occurring in only one phase of pest control work.

L. The commission shall notify the licensee/registered employee, in writing of:

1. the nature of the violations sustained before the commission, including dates and places where the violations occurred;

2. the period of probationary status;

3. the phases of the license/registration certificate affected by the probationary status; and

4. any additional terms and conditions imposed by the commission.

M. A licensee/registered employee may be placed on probationary status for a cumulative total of no more than 24 months. If any violation of the Act or rules and regulations occurs after 24 months of probationary status, the commission shall convene an adjudicatory proceeding leading to the suspension/revocation of the license/registration certificate.

N. In consideration of alleged violations, the commission shall examine the record of the offender during the 24 months previous to the date of the alleged violation; whenever the licensee/registered employee has been found guilty of a violation of the Act or these rules and regulations in an adjudicatory proceeding at any time during the previous 24 months, the commission shall consider the licensee/registered employee in the light of multiple violations.

§14125. Suspension/Revocation of License/Registration Certificate

A. A license/registration certificate may be suspended/revoked by the commission (1) only upon the unanimous vote of the commission, and (2) only for a violation of the Act or these rules and regulations sustained before the commission in an adjudicatory proceeding noticed and conducted as required under LAC 7:14121 hereof.

B. The commission may suspend/revoke a license/registration certificate for any severe violation without previously imposing a period of probationary status.

C. Any suspension of a license/registration certificate shall be for a specific period of time, and the licensee/registered employee shall be notified in writing of the period of time and any conditions which may be imposed on the reinstatement thereof.

D. In addition to the period of suspension, the commission may impose additional terms and conditions which must be met before the license/registration certificate will be reinstated.

E. The licensee/registered employee may not perform any work in any phase of pest control work, including in the case of licensees the supervision of registered employees, when his license/registration certificate for that phase of pest control work has been suspended by the commission.

F. The commission may suspend the license/registration

certificate for one phase of pest control work without effect upon any other phase of pest control work for which the licensee/employee is licensed/registered.

G. The commission may suspend all phases of pest control work for which the licensee/employee is licensed/registered for a severe violation occurring in only one phase of pest control work.

H. Prior to the expiration of a suspension, the commission shall notify the licensee/registered employee, as provided by LAC 7:14121, to attend the next regularly scheduled meeting and demonstrate that the violations which caused the suspension have been corrected.

I. If the violations which caused the suspension have not been corrected, the commission may conduct an adjudicatory proceeding and permanently revoke the license/registration certificate.

J. Upon provision of evidence acceptable to the commission, either before or at the expiration date for the period of suspension, that the violations which resulted in the suspension have been corrected, the suspension may be terminated by the commission.

K. A suspension may not be extended beyond the initial expiration date except upon the unanimous vote of the commission at a properly noticed and conducted adjudicatory proceeding.

L. When a license/registration certificate has been revoked by the commission, the license/registration certificate may not be reinstated until such time as the former licensee meets all requirements set forth in LAC 7:14105, LAC 7:14107, and LAC 7:14109 hereof and/or the former registered employee meets all requirements set forth in LAC 7:14111 hereof.

§14127 Inspection; Taking of Samples

A. During the course of their inspections, inspectors employed by the commission may take soil samples and/or chemical samples of tank mixes and/or rodenticides.

B. Soil and chemical samples shall be properly marked to preserve a chain of custody record and shall be submitted to the laboratory at Louisiana State University for analysis.

C. Results of laboratory analysis of soil and/or chemical samples may be used in adjudicatory proceedings and shall be made available to the pest control operator upon request after the analysis is completed.

§14129. Prohibitions

A. A pest control operator may not engage in any phase of structural pest control work for which he is not specifically licensed by the commission.

B. No person engaged in the sale of products for the eradication of household pests or wood-destroying insects shall demonstrate such products by applying the products to the premises of a customer without first obtaining a license from the commission.

C. No examination for licensure will be given if the applicant is not eligible for licensure on the basis of education and/or experience.

D. No licensee/registered employee may apply restricted use pesticides unless certified to make such application.

E. No licensee/registered employee may use highly toxic gases inside buildings unless licensed in the fumigation phase of the pest control license.

F. The licensee may not assign a registered employee to regularly perform pest control work in any phase of pest control work for which he is not registered and in which he has not been thoroughly trained.

§14131. Exceptions

A. These rules and regulations do not apply to the application of pesticides for the control of agricultural pests.

B. These rules and regulations do not apply to any person, firm, corporation, association or combination thereof engaged in the manufacture of pesticides, fumigants, insecticides, herbicides, rodenticides, repellants or other similar substances.

C. These rules and regulations do not apply to any person, firm, partnership, corporation, association or other organization or combination thereof engaged in selling products to the general public for the control of household pests and termites, provided that such entities may not apply such products, by way of demonstration or otherwise, to a customer's premises or offer any services connected with pest control unless licensed to do so by the commission.

D. These rules and regulations do not apply to persons who personally applies pesticides of any kind for the control of household pests or wood-destroying insects on property which they own, rent or lease, provided that such persons must employ such materials in such manner as to avoid any undue hazards to public health safety.

§14133. Complaints Against Pest Control Operators

A. Any citizen may file a complaint in writing against any pest control operator by contacting the commission office in Baton Rouge.

B. Upon receipt of a written complaint, the commission staff shall:

1. immediately conduct an investigation of the incident involved in the complaint, and

2. inform the pest control operator against whom the complaint has been lodged.

C. Upon completion of the investigation required under LAC 7:14133(B), the commission staff shall notify the complainant and the pest control operator of the results of its investigation and enter an item for a status report to the commission on the agenda for the next commission meeting.

D. The commission may bring any matter arising from a citizen's complaint to an adjudicatory hearing if, in the judgement of the commission, the facts established in the investigation required under LAC 7:14133(B) warrant such action.

E. In any instance where a citizen feels that the facts of his complaint warrant an adjudicatory hearing by the commission, the citizen may request, in writing, that the matter be placed on the agenda for consideration at the next meeting of the commission, provided that the citizen must appear and give sworn testimony at such hearing called at the request of the citizen. In any instance where a citizen has filed a written petition for an adjudicatory proceeding but fails to appear, upon proper notice, and give testimony, the commission may cancel such adjudicatory proceedings without action.

§14135. Minimum Specifications for Termite Control Work

A. Chemicals approved for termite control work which shall remain in full force and effect until superseded by a publication of a subsequent full listing:

1. All chemicals registered by the U.S. Environmental Protection Agency and the Louisiana Department of Agriculture are approved by the commission, but only at the chemical compositions approved by the U.S. Environmental Protection Agency.

2. The commission will issue an annual listing of chemicals approved by the commission for termite control work no later than December 31 of each year. The annual listing shall become effective upon publication in the *Louisiana Register* and shall remain in effect for a full year unless sooner changed by the commission. The commission may supplement its annual listing whenever any new chemical is approved for termite control work and may also remove a previously approved chemical from its approved listing by publication in the *Louisiana Register*. Upon publication of the an-

nual listing of chemicals approved for termite control work, all previous listings shall be repealed. The commission delegates to the state entomologist the responsibility for publication of the list of chemicals approved by the commission.

3. The commission's annual listing of chemicals approved for termite control work shall also contain the chemical concentration at which each chemical is approved for usage, and the chemicals must be applied in accordance with label and labeling requirements. Chemicals shall not be applied at any less than label and labeling requirements.

4. Proprietary materials may be used for termite control work only if (a) such materials contain one or more chemicals approved by the commission at the concentrate level required by the commission, and (b) such materials are compatible. Proprietary materials cannot be used for the prevention, control or eradication of structural pests without prior written approval of the commission. Proprietary materials which do not conform to the requirements of the commission must be evaluated on the basis of a field trial prior to approval by the commission.

B. Requirements for Trench and Treat

All trenches must be approximately four inches wide at the top, angled toward the foundation and sufficiently deep (approximately six inches) to permit application of the required chemical. Apply the emulsion into the trench at a rate of two gallons per 10 linear feet. As the soil is replaced into the trench, apply another one gallon per 10 linear feet of backfill. Rodding will be acceptable where trenching may damage flowers and/or vegetation.

C. Treatment of Existing Pier Type Construction

1. Access Openings

Provide suitable access openings to all crawl-space areas and to all other areas requiring inspection and/or treatment for termites.

2. Required Clean-up

a. Remove all cellulose-bearing debris, such as scrap wood, wood chips, paper, etc., from underneath buildings.

b. Trench, rod and treat any large stumps or roots that are too sound to be removed, provided that such stumps or roots are at least six inches from the foundation timbers. Stumps or roots located less than six inches from the foundation timbers must be cut off to provide at least six inches clearance.

c. Remove all form boards which are not imbedded in concrete.

3. Elimination of Direct Contact of Wood with Ground

a. Piers and stiff legs must have concrete or metal-capped bases extending at least four inches above the ground. Pressure-treated piling foundations are exempt from this requirement.

b. Wood parts which extend through concrete or masonry floors (such as posts, door frames or stair carriages) must be cut off and set on metal or concrete bases at least one inch above floor level.

c. Wood steps must be placed on concrete or masonry bases which extend at least three inches above ground, and, preferably, beyond the steps in all directions. Multiple-course masonry step supports must be treated as required in LAC 7:14135(C)(7)(a)(ii) and LAC 7:14135(C)(7)(a)(iii) of this Chapter.

4. Pipes

a. Remove (or if not removed, saturate) all packing around pipes with chemical, after breaking contact with ground.

b. Trench and treat around all pipes.

5. Skirting and Lattice-work

a. All skirting and lattice-work must rest on solid concrete or cemented brick extending at least three inches above the outside grade.

b. There must be at least three inches clearance above outside grade if skirting or lattice-work is suspended.

6. Stucco

a. Where stucco extends to or below grade, dig trenches below and under the edge of the stucco and apply chemical as required in LAC 7:14133(B). Note: This is in addition to the required ground treatment.

b. Where ground slabs prevent treatment as required in (a) above, drill and treat slab as required in LAC 7:14133(D).

7. Masonry

a. Apply chemical to all porous areas, cracks and accessible voids in foundation walls, piers, chimneys, steps, buttresses, etc., as follows:

i. Flood all cracks in concrete.

ii. Drill holes in mortar joints, at no more than 24 inch intervals, in all two-course brick foundations (piers, foundation walls, steps, buttresses, etc.) in a horizontal line and thoroughly treat wall voids. L-shaped and T-shaped piers must be drilled a minimum of three times with hole spacings no more than eight inches apart. Holes must be deep enough to reach the center mortar joint and chemical must be applied under sufficient pressure to flood all cracks and voids. Drilling is not required when solid concrete footing extends above grade level or when wall is capped with solid concrete.

iii. Whenever possible, drill holes in mortar joints of all three-course brick foundation walls on each side of the foundation wall at the end of every other brick, alternating the holes on the different sides of the wall as much as practicable, and apply chemical under sufficient pressure to flood all cracks and voids. Where the outside finish of a three-course brick wall makes drilling from each side of the wall impractical, drill from one side and extend every other hole for the depth of two bricks.

iv. Drill holes into each compartment of each block of hollow concrete (or other lightweight aggregate) blocks and apply chemical into the openings at a rate sufficient to flood the area of the bottom of each block. If the foundation wall consists of a row of hollow blocks, drill each compartment and the mortar joint of every block. Drilling is not required if the opening in the block is accessible.

8. Ground Treatment

a. Trench around each pier and/or foundation of the structure being treated;

b. Apply chemical in the trench as required in LAC 7:14133 (B).

9. Dirt Filled Porches

a. Where the sill or other wood extends to, or below, the under side of the concrete slab, the dirt must be excavated so as to leave a horizontal tunnel at the junction of slab and foundation wall. The tunnel shall extend the full length of the fill and be at least 12 inches deep (or down to grade) and 12 inches wide. Soil in the tunnel shall be treated with chemical at all points of contact with wall and slab. Supports for the slab shall be erected in the tunnel if necessary. Tunnel shall be well ventilated, but care shall be taken to assure that water does not run into those tunnels. (See Figure 1)

Exception: If, due to construction, it is impractical to break into and excavate dirt-filled areas, a method of drilling, rodding and flooding as outlined in (b)(ii) below, may be employed. The secretary of the Structural Pest Control Commission shall be notified in these cases and permission requested prior to treatment.

b. Where the sill or other wood does not extend to or below the under side of the concrete slab, the fills may be drilled, rodded and flooded as follows:

i. Drill floor slab at intervals of not more than 20 inches along the juncture of the porch and the buildings; rod and treat the

fill along the foundation wall of the building. (See A on Figures 2 and 3)

ii. When it is impossible to rod and treat fill because of broken concrete, rock or other non-porous material in the fill, drill the floor slab as outlined in (1) above and apply sufficient chemical to treat the surface areas beneath the floor slab. When non-porous materials are present in the fill, drill holes in a multi-course brick foundation at eight inch intervals with every other hole extending into the fill. When there is a hollow-brick foundation, drill holes into the fill area every 16 inches along the foundation wall.

Note: This is in addition to drilling and treating voids as outlined below. (See B on Figures 2 and 3)

c. In both methods of treating earth fills (drilling, rodding and flooding or excavation), porch foundation walls will be treated as follows:

i. Drill hollow-block walls as near the top of the foundation wall as possible and apply sufficient chemical to penetrate mortar joints and flow into the trench at the bottom of the foundation wall. (See B on Figure 2)

ii. Drill multi-course brick walls at 16 inch intervals and pressure-treat all voids, making certain that the chemical flows into the voids on both sides of the hole being treated. (See B on Figure 3)

10. Chimney Bases and Dirt Filled Steps

a. Chimney bases and dirt filled steps shall be treated by drilling the foundation walls as outlined in Step 2 for dirt filled porches. (See A on Figures 4 and 5)

D. Treatment of Existing Slab-type Construction

1. Ground Treatment

a. Trench around the entire perimeter of the structure being treated, adjacent to the foundation wall.

b. Apply chemical in the trench as required in LAC 7:14135 (B).

2. Traps and Other Openings

Apply chemical to bath and other trap areas in a sufficient amount to flood the trap area. If no bath or other trap is available or it is impractical to provide an opening, treat this area by drilling vertically through the slab and pressure-treating the area beneath the slab with a sufficient amount of chemical to flood all plumbing areas and all other possible points of entry.

3. Expansion Joints, Cracks and Other Voids in Slab

Rod under or drill through the slab and thoroughly treat all areas beneath expansion joints, cracks or other voids in the slab. When the slab is drilled, the holes must be no more than three feet apart along the above stated areas.

E. Pre-treatment of Slabs

1. After the final grade has been reached, and either before or after the gravel fill has been spread, apply chemical to all areas to be under roof at the following rates:

a. Apply 10 gallons of chemical per 100 square feet to the entire area of the foundation wall.

b. In addition to the treatment required in (a) above, apply chemical along the inside of exterior foundation walls on monolithic slabs at the rate of one gallon per five linear feet.

c. In addition to the treatment required above, apply chemical along all expansion and/or construction joints at the rate of two gallons per five linear feet.

d. In addition to the treatment required above, apply chemical at the rate of one gallon per 10 square feet to critical areas, under the slab, such as around plumbing, electrical conduits, air conditioning vents, chimney bases, etc.

2. Pre-treat the soil under open slabs attached to buildings (such as patios, walkways, etc.) at the rate of 10 gallons of chemical per 100 square feet along a strip extending at least three feet from the wall of the building.

3. After the building is complete and the final grade has been reached along the outside of the foundation wall, trench and treat this area at the rate of one gallon per 10 linear feet. As the soil is replaced into the trench, apply another one gallon per 10 linear feet of the backfill.

4. If, during the treatment of any area which will be beneath a slab foundation, the operator must leave the site for any reason prior to the completion of the application as specified in (1) above, the operator must prominently display a poster, to be furnished by the commission, which states that the treatment of the area under the slab is not complete.

F. "Spot" Treatment

1. "Spot" treatment shall not be done on pier-type or slab construction except with the prior permission of the secretary of the commission.

2. Treatment will be allowed according to LAC 7:14135(C) or LAC 7:14135(E) to any additions to the main structure or exterior slab enclosures and a fee shall be paid and a contract issued on this addition unless the main structure is under contract with the firm performing the treatment on this addition.

G. Infested Properties

1. Whenever any agent of the commission finds that any property is infested with termites, the operator who treated the property must re-treat within 30 days after receipt of notification from the commission.

2. When the operator completes the re-treatment, he must notify the commission immediately.

H. Responsibility of Operator to Property Owner and Commission

1. The operator should immediately bring to the attention of the property owner the presence of any visible insect damage found in portions of the building that are accessible for inspection.

2. The operator must provide for air space on the water hose used in supplying water to the chemical tank.

I. Waiver of Requirements of Minimum Specifications for Termite Control Work

Whenever it is impossible or impractical to treat any structure in accordance with these minimum specifications, the pest control operator may request a waiver of these requirements. A waiver must be secured from the Department of Agriculture prior to any treatment in any instance where all requirements of these minimum specifications cannot be complied with.

§14137. Wood-Destroying Beetles

A. The licensee shall inspect the premises to determine whether there is an active infestation of wood-destroying beetles before recommending treatment or sale of a service to control, prevent or eradicate such infestation and such determination shall be made on the basis of the following guidelines:

1. Powder Post Beetle (Anobiidae and Lyctidae)

a. The presence of frass will be acceptable as evidence of an active infestation of powder post beetles; however, frass must be exuding or streaming from the holes on the outside of the wood.

b. The presence of holes alone will not be acceptable evidence of an active infestation of powder post beetles except when live larvae or pupae are found in wood members.

Note: Anobiidae beetles usually infest softwoods, such as pine, and lyctidae usually infest hardwoods, such as oak or pecan.

2. Old House Borer *(Hylotrupes bajulus)*

a. The presence of adult beetles or oblong exit holes with frass in pine or other softwoods will be evidence of active infestation of the old house borer.

b. The presence of live larvae or pupae in softwood members will be evidence of active infestation of the old house borer.

§14139. Fumigation

A. Applicability

1. This rule governs all fumigation of residential and com-

mercial structures, ships, railcars, trucks, commodity containers and vaults within the State of Louisiana, including ships at anchor in rivers within the borders of Louisiana and ships at anchor within a three-mile limit off the coast of Louisiana.

2. The licensee conducting shipboard fumigations must also comply with all requirements of the U.S. Coast Guard with respect to fumigation.

B. Definitions

1. *Qualified person* means a person who is licensed in the fumigation phase of the structural pest control license.

2. *Fumigant* means a substance or mixture of substances that is a gas or is rapidly or progressively transformed into a gaseous state though some non-gaseous or particulate matter may remain in the space being fumigated.

3. *Fumigation* means the application of a fumigant in residential and commercial structures; ships; railcars; trucks; commodities such as dunnage on wharves, silos or conveyors; vaults or the like.

C. Persons Authorized to Conduct Fumigations

1. All fumigations performed in Louisiana on structures and ships must be performed by a person licensed by the commission in the fumigation phase of the structural pest control license.

2. Fumigations of railcars, trucks, commodity containers, vaults or the like may be performed by a thoroughly trained and experienced individual under the supervision of a person licensed by the commission in fumigation.

D. Prior Notice to Commission Required; Structural and Shipboard Fumigations

1. The licensee must give notice, in writing, to be received by the commission at least 24 hours prior to structural and/or shipboard fumigation. If sent through the U.S. Postal Service, the notice must be mailed at least five days prior to such fumigation in order to assure timely delivery to the commission.

2. Notice to the commission must include:

a. time and place where the fumigation will take place;

b. name, address and emergency phone number of the licensee;

c. name and characteristics of the gas to be used; and

d. a brief description of the property to be fumigated.

3. When notice cannot be given as required by (1) above, notice may be given by phone but must be confirmed in writing, to be received by the commission within 24 hours after the telephone notice.

4. Before commencing fumigation of a residential structure, office building, church, school or any other building frequented by people, the structure shall be inspected by an investigator of the Structural Pest Control Commission. The inspection will be made within five days after receipt of request.

5. In the case of shipboard fumigations, a copy of the notice required to be given under coast guard regulations may be filed in satisfaction of the commission's requirements for notice if such notice contains all of the information required in (2) above.

6. In the case of shipboard fumigations, the licensee is responsible for giving notice to the person in charge of the vessel under procedures required by the coast guard.

7. The licensee is responsible for giving any notice to law enforcement and/or fire protection agencies required by any governing body of the locality in which the fumigation will take place.

E. Responsibilities of the Licensee in all Fumigations

1. The licensee is responsible for compliance with all label and labeling requirements.

2. The licensee must personally inspect the premises to be fumigated and, in the case of the shipboard fumigations, any spaces that are designated as unsafe for occupancy, immediately prior to sealing and make certain that there are no humans or animals in the area to be fumigated, adjacent areas or (in the case of shipboard fumigations) areas which are designated as unsafe for occupancy.

3. Immediately upon completion of the inspection required in (2) above, the licensee must seal or supervise the sealing of the area to be fumigated and assure that there is proper and secure sealing to confine the fumigant to the area that is to be fumigated, including blanking off and sealing of ventilator ducts and smoke detectors.

4. The licensee must see that a sign or signs of sufficient size as to be conspicuous and bearing the word "POISON" and the skull-and-crossbones symbol, is (are) prominently displayed at all entrances to the area being fumigated continuously from the time the area is sealed until ventilation is completed.

In the case of warning signs posted for shipboard fumigation, the sign must be in accordance with Section 432 of the Standard for Fumigation (NFPA No. 57-1973) of the National Fire Protection Association, copies of which may be obtained from the National Fire Protection Association, International, 470 Atlantic Avenue, Boston, Massachusetts 02210.

5. The licensee must make certain that personal protection equipment for the fumigant that is being used is immediately accessible where the fumigation is being done. Recommended antidotes for the fumigant being used must also be immediately accessible during fumigation and until the area fumigated is declared safe for occupancy.

6. The licensee must be present when the fumigant is released and immediately prior to the time when the fumigated area is declared safe for occupancy. At least one person, in addition to the licensee, must be present when the fumigant is released. The licensee is not required to be present on fumigations as outlined in LAC 7:14139(C)(2).

7. The licensee must personally inspect the area which was fumigated when ventilation is completed to assure that the fumigated area, and adjacent areas as appropriate, is safe for occupancy.

8. The licensee must remove all signs, fumigation containers and/or materials, and other debris which accumulated as a direct result of the fumigation. Fumigation containers and materials must be disposed of in accordance with the manufacturer's recommendations.

F. Special Requirements for Structural Fumigation

1. The licensee must post a guard(s) to prevent entry by an unauthorized person into the area being fumigated. The guard, who may or may not be an employee of the licensee, is not required to be a licensed pest control operator or registered employee.

2. Whenever one unit of a complex containing more than one unit is to be fumigated, all units of the building to be fumigated must be evacuated during fumigation and until such time as the fumigated area is declared safe for occupancy. The licensee must inspect all units of a complex at such time as the inspection required under LAC 7:14139(E)(2) is made and assure that there are no humans or animals in any area of the building that is being fumigated.

3. The licensee should notify all householders and/or all persons in charge of businesses located within 10 feet of a structure which is to be fumigated at least 24 hours prior to the scheduled fumigation.

4. Test lines with at least one-fourth inch outside diameter must be appropriately located on the first floor of the structure(s) being fumigated to permit sufficient readings of the gas concentrate to determine its efficacy in destroying insects.

5. No one shall be permitted to enter a fumigated area after fumigation until the licensee has inspected the area and declared it safe for human occupancy, except in emergency situa-

tions, which are governed by the provisions of rule hereof.

G. Special Requirements for Shipboard Fumigation

1. The licensee must comply with all requirements of the rules and regulations of the U.S. Coast Guard concerning shipboard fumigation. The following is presented as a guide to coast guard fumigation regulations, but it is the licensee's responsibility to ascertain (a) that there are no additional coast guard requirements, and (b) that this guidance is in fact representative of the relevant coast guard regulations.

2. Prior to fumigation, the licensee must ensure that (a) a marine chemist or other qualified person who has knowledge of and experience in shipboard fumigation evaluates the vessel's construction and configuration and determines which spaces, if any, are safe for occupancy during fumigation and (b) the intervals when inspections must be made.

3. During fumigation, the licensee must ensure that a qualified person inspects the vessel, using detection equipment for the fumigant that is used to ensure that the fumigant is confined to the space that is fumigated, if partial occupancy is allowed, or the vessel, if no space is determined to be safe for occupancy, and that inspections are made at appropriate intervals.

4. If leakage occurs during a shipboard fumigation, the licensee must:

a. Notify the person in charge of the vessel of the leakage.

b. Ensure that all necessary measures are taken for the health and safety of any person.

c. Notify the person in charge of the vessel when there is no longer a danger to the health and safety of any person.

d. After the exposure period, if the vessel is in port, the licensee shall ensure that the space which was fumigated is ventilated, as follows: (i) hatch covers and vent seals must be removed; other routes of access to the atmosphere must be opened; and, if necessary, mechanical ventilation equipment must be used; and (ii) personal protection equipment that is appropriate to the fumigant being used must be worn.

e. If ventilation is completed before the vessel leaves port, the licensee must:

i. Ensure that a qualified person, wearing the personal protection equipment for the fumigant that was used if remote detection equipment is not available, tests the space that was fumigated; determines that there is no danger to the health and safety of any person, including a danger from fumigant that may be retained in bagged, baled or other absorbent cargo; and notifies the person in charge of the vessel of this determination.

ii. If it is determined that there is danger, the licensee must ensure that all measures necessary for the health and safety of all persons are taken and notify the person in charge of the vessel when there is no longer a danger to the health and safety to any person.

5. The licensee must ensure that a guard is posted at every entrance to the space being fumigated, and at every entrance to any space that is declared to be unsafe for occupancy during fumigation.

H. Special Requirements for Railcars, Trucks and Containers

1. The licensee is responsible for compliance with any requirements of the Department of Transportation.

2. Whenever fumigation is performed in an enclosed area, the licensee should post detection equipment at appropriate locations throughout the enclosed space to determine any potential hazard to workers. The licensee must require the evacuation of any employees working in any inside area where a fumigation is being done if there are any hazards to workers.

3. A thoroughly trained employee registered in the fumigation phase should check inside the vehicles along the junctures to be sealed before fumigation. All openings in vehicles being fumigated must be sealed.

4. In addition to the warning signs which are to be posted outside the vehicle, warning signs must be placed inside the vehicle, at all openings prior to sealing.

5. Close vehicle doors securely, wedging doors if necessary. Avoid damage to any fumigation seals.

6. If the vehicle or commodity container is to be shipped under gas, twist strands of wire through the door hasps or locking mechanisms so that the wire must be removed prior to opening the vehicle or container.

7. After releasing the fumigant, check for leakage and repair any leaks which occur.

8. The licensee must notify the consignee, in writing, of the characteristics, antidotes and proper procedures for handling any vehicle or commodity container which is shipped under gas.

I. Emergency Entrance Into Area Being Fumigated

1. The person entering such space must wear personal protection equipment for the fumigant that is being used together with self-generated breathing oxygen supply apparatus.

2. Entry must be made by a two-person team, with the person making entry wearing a lifeline and safety harness and the lifeline being tended by a person outside the space who is wearing personal protection equipment for the fumigant being used.

J. Special Requirements when Flammable Fumigants Are Used

1. Before the space to be fumigated is sealed, it must be thoroughly cleaned and all refuse, oily waste or other combustible material must be removed.

2. The licensee must check all fire fighting equipment, including sprinklers and fire pumps, to be sure that all equipment is in proper working order.

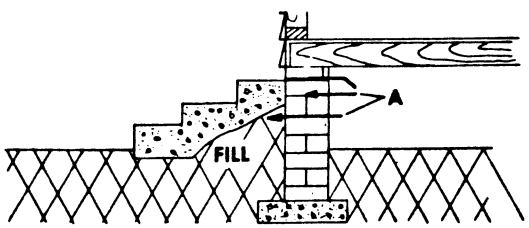
3. Before and during fumigation, all electrical circuits in the space being fumigated must be de-energized.

4. When the space to be fumigated is being sealed and during fumigation, no person may use matches, smoking materials, fires, open flames or any other source of ignition in any spaces that are not determined safe for occupancy.

§14141. Repeal of Prior Rules and Regulations of the Commission

Upon promulgation of these rules and regulations, all rules and regulations of the Structural Pest Control Commission adopted prior to the effective date of these rules and regulations shall be repealed.

Figure 1. Excavation of Dirt Filled Porches



DIRT FILLED STEP

Figure 2. Dirt Filled Porch
(Hollow Block)

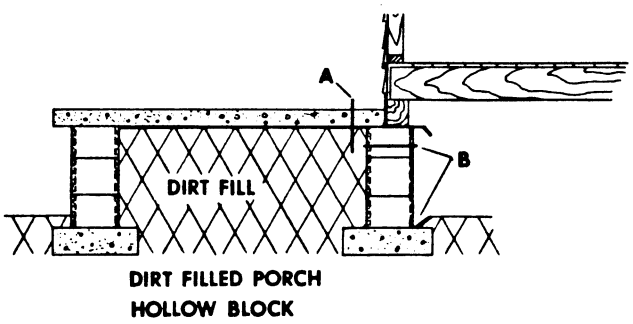


Figure 3. Dirt Filled Porch
(Multi-Course Brick)

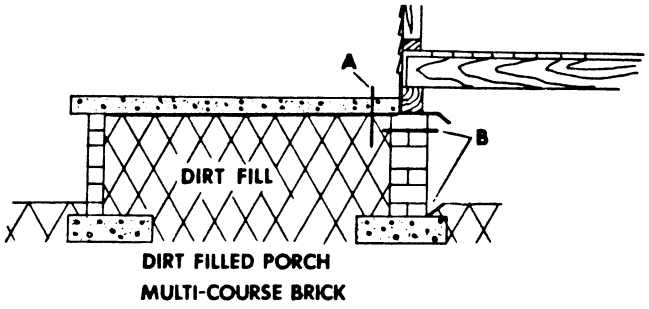


Figure 4. Chimney Base

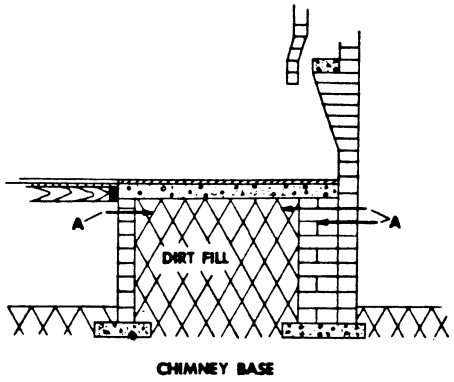
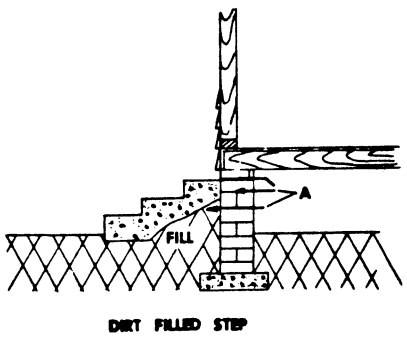


Figure 5. Dirt Filled Step



Bob Odom
Commissioner

RULE

Department of Commerce
Auctioneer Licensing Board

In accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the Auctioneer Licensing Board, pursuant to Notice of Intent published on February 20, 1985 adopted the following rules.

RULE 1

Description of Organization

The Louisiana Auctioneer Licensing Board (hereafter referred to as board) is created by virtue of Louisiana R.S. 37:3111; and is created as an agency of the state government in the Department of Commerce. No member of the board shall be held liable as an individual in any suit against the board. Statutes relating thereto are found in R.S. 37:3111, et seq., of the Louisiana Statutes.

Number

The board shall be composed of seven persons, consisting of the chairman and vice-chairman, and five of whom shall be auctioneers, one selected from each Public Service Commission district, and two of whom shall be consumers from the public-at-large, all appointed by the governor. Each appointee shall be a citizen of the United States of America and a resident of Louisiana and at least 30 years of age. The initial auctioneer members shall not be required to be licensed but shall obtain a license within a reasonable time after appointment; each subsequent member shall be a licensed auctioneer.

Election and Term of Office

The chairman and vice-chairman shall hold office as board members so long as they hold their respective positions as elective officers of the board. Each appointed member shall serve at the pleasure of the governor for a term concurrent to the term of office of the governor appointing him, except that each member shall serve until his successor has been appointed and begins serving. Each appointment by the governor shall be submitted to the Senate for confirmation. No appointee shall serve more than two consecutive terms. In the event of the death, resignation, or disability of a member of the board, the governor shall fill the vacancy by appointing a qualified person for the remainder of the unexpired term.

Oath

Each member of the board shall receive a certificate of appointment from the governor, and before beginning his term of office, shall file with the secretary of state his written oath or affirmation for faithful discharge of his official duty.

Salaries

Members of the board may receive a per diem or compensation when actually attending a meeting of the board of any of its committees and for time spent on behalf of the board on official business. Additionally, members may be reimbursed for actual and necessary travel, incidental, and clerical expenses incurred in carrying out the provisions of this Chapter when and if funds are available from the board's funds.

RULE 2

General Course and Method of Operations

The board shall be domiciled in Baton Rouge, LA, but shall be authorized to meet elsewhere in the state.

Chairman and Vice-Chairman of the Board

The chairman, or in his absence, the vice-chairman or in the absence of both of them, the chairman chosen by the members present, shall preside at all meetings of the board. The chairman shall be the chief executive officer of the board, and subject to the direction and under the supervision of the board, shall have general charge of the business affairs and property of the board

and control of its officers. The chairman shall preside at all meetings of the members, shall appoint members of all committees created by the bylaws or by resolution of the board. He shall be an ex-officio member of all standing committees and other committees created by the bylaws or by resolution of the board.

Meetings of the Board

The board shall meet quarterly at regular meetings each year. A special meeting may be held at such time and place as specified by the executive secretary on call of the chairman or four members. The executive secretary shall give written notice of all meetings to the members of the board and the interested public.

Special Meetings

Special meetings of the board may be called by the chairman or at the request of any four members. The persons authorized to call such a special meeting may fix any place within the State of Louisiana.

Notice of any special meeting shall be given by mail, posted at least five days prior to such a meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid.

Quorum of the Board

Four members of the board constitute a quorum for all purposes including the granting or issuance of licenses and the rule-making and adjudicative functions of the board.

Manner of Acting

The act of the majority of the board members present at a meeting at which a quorum is present shall be the act of the board.

RULE 3

Order of Business/Rules of Order

Board Meetings/Order of Business

The order of business at all meetings of board members shall be:

1. Call to order
2. Reading of the minutes of the previous meeting
3. Reports of members
4. Consideration of financial statements and reports
5. Consideration of unfinished business
6. Consideration of new and miscellaneous business
7. Adjournment

Rules of Order

Except as otherwise provided in the articles of incorporation or these bylaws, the latest edition of "Robert's Rules of Order" as revised from time to time, shall determine procedure in all meetings of the members and the board.

RULE 4

General Scope of Responsibilities

Duties

The business and affairs of the board shall be managed by its board members.

The board shall perform the following duties:

1. Examine each applicant desiring to be licensed as an auctioneer in the State of Louisiana.

2. Administer a written examination for licensing at least four times each year in the City of Baton Rouge.

3. Adopt rules and regulations to govern auctioneers in the State of Louisiana.

4. Issue, suspend, modify or revoke licenses to do business in the State of Louisiana.

5. Report to the attorney general of the State of Louisiana all persons violating the provisions of this Chapter.

6. Report annually, no later than March 1, to the governor, the secretary of the department and the legislature on its activities.

7. Adopt its official seal.

8. Furnish, upon request, a copy of Louisiana auction laws, and also an accurate list of those states having reciprocity with Louisiana.

Authorities

The board is authorized and shall do the following:

1. Adopt and enforce rules and regulations, bylaws, and rules of professional conduct as the board may deem necessary and proper to regulate auctions under its jurisdiction in the State of Louisiana, to provide for the efficient operation of the board, and otherwise to discharge its duties and powers under this Chapter.

2. Prescribe and adopt regulations, standards, procedures and policies governing the manner and conditions under which credit shall be given by the board for participation in a program of continuing education, as the board may consider necessary and appropriate to maintain the highest standards of proficiency as an auctioneer in the State of Louisiana.

3. Authorize any member of the board to make any affidavit necessary to the issuance of any injunction or other legal process authorized under this Chapter of rules and regulations of the board.

4. Authorize and issue subpoenas to require attendance and testimony and the production of documents for the purpose of enforcing the laws relative to auctions and securing evidence of violations thereof.

5. Maintain a current list of licensed auctioneers.

6. Select its officers annually.

The board is authorized and may do the following:

1. Appoint a qualified executive secretary.

2. Employ clerical assistance necessary to carry out the administrative work of the board.

3. Employ legal counsel to carry out the provisions of this Chapter, provided that the fees of such counsel and the costs of all proceedings, except criminal prosecutions, are paid by the board from its own funds.

4. Incur all necessary and proper expenses.

The chairman and executive secretary of the board, or in their absence, any other member of the board, may administer oaths in the taking of testimony upon any matter appertaining to the duties and powers of the board.

RULE 5

Official Seal

The official seal of the Louisiana Auctioneer Licensing Board shall be as follows:

The board shall have a seal which shall be in the form of a circle with the words "State of Louisiana" together with the words "Louisiana Auctioneers Licensing Board" inscribed thereon. Upon manufacture, said seal shall be impressed in the margin of these bylaws.

RULE 6

License for Auctioneer

Qualifications of Applicant

The board shall base determination of satisfactory minimum qualifications for licensing as follows:

1. Be of good moral character.

2. Be a citizen of the United States and a resident of the State of Louisiana.

3. Be at least 18 years of age.

4. Has completed one of the following:

a. Completed a series of studies at a school of auctioneering licensed or approved by the board;

b. Completed an apprenticeship of one year working with and under an auctioneer duly licensed in the State of Louisiana.

An owner or operator of an auction business for one year or more in any state of the United States may be appointed as a deputy or agent to a Louisiana licensed auctioneer prior to taking the auctioneer's test.

An applicant for licensing shall fill out and file with the board an application form provided by the board. The form shall require relevant information about the applicant's character, knowledge and experience in application of that knowledge. Among the data required on the application form, the applicant shall submit the following information:

1. Education background;
2. Previous occupational experience in the auction business;
3. Three references, including their business addresses, who attest to the applicant's reputation and adherence to ethical standards.

If, in the opinion of the board, the applicant provides inadequate information to allow the board to ascertain whether the applicant satisfies the qualifications for licensing, the applicant shall be required to provide additional information for purposes of the application or may be required to present himself for an interview for this purpose.

Licensing Procedure

Applications for license required to be obtained under provision of the board's enabling act shall be verified by the oath or affirmation of the applicant and shall be on forms prescribed by the board and furnished to such applicants. The applications shall contain such information as the board deems necessary to enable it to fully determine the qualifications and eligibility of the applicant for the license applied for.

The board shall require the following in an application:

1. Applicant's residential address.
2. Applicant's business address.
3. Applicant's telephone number.
4. State and parish in which applicant is a qualified voter, with a notarized copy of voter registration attached.
5. Surety bond in the amount of $5,000 in favor of the governor of the State of Louisiana.
6. Cashier's check, money order or cash - no checks will be accepted - in the amount of $225 for all fees covered in the initial licensing procedure.
7. Oath of office as a Louisiana Auctioneer.
8. Irrevocable consent (if applicable).

Availability of Applications and Apprentice License

Applications and all other pertinent forms are available at the Department of Commerce, Louisiana Auctioneers Licensing Board, Box 94185, Baton Rouge, LA 70804-9185, or will be mailed upon request of person seeking to be licensed as an auctioneer or as an apprentice auctioneer.

Change of Address

All licensees shall notify the board in writing of each change of address.

Examination Procedure

The board shall determine the scope, form and content of the examinations for licensure which shall be written and shall include questions on Louisiana auction law and sound business practices.

The board shall issue a numbered license to an applicant who meets the requirements of this Chapter, passes satisfactorily the examination administered by the board and pays the fee to be a licensed auctioneer.

The board shall give examinations for license on the following dates: fourth Thursday in January, April, July and August, of each year. Individual examinations are not permitted.

An applicant failing in an examination may be examined again upon filing a new application and the payment of the re-examination fee of $40 fixed by this Chapter.

The board within 10 days and in writing shall notify any applicant who is denied licensing of the reason therefor. Within 15 days after receipt of notice, such applicant may make written request to the board that his or her examination be regraded and reviewed by the board. Upon regrading and review of the examinee's examination, the examinee will be advised in writing of the decision of the board. If it is determined by the board that the examination remain in the failure status, the examinee may at his or her discretion, request a formal hearing with regard to the failing status of his or her examination grade. A formal hearing shall then be conducted under the Administrative Procedure Act.

An individual who fails to pass two successive examinations is not eligible to take another examination until the expiration of one year from the date of his most recent failure, at which time he shall complete and file a new application, bond and fee with the board.

All auctioneer license examinations are confidential tests. They are designed and administered under conditions established to protect the security of the tests. Neither the current forms nor the previous forms of the tests are available for purchase or inspection.

License Renewal and Penalty

A license shall expire annually on the date of issuance, unless renewed by payment of the required renewal fee at least 30 days prior to its expiration. The board shall notify the auctioneer of the need for renewal at the latest known address at least 60 days in advance of the expiration. If a license is not timely renewed, it shall be deemed to have lapsed and be invalid. The delinquent auctioneer shall apply again for initial licensure.

The board shall issue the same number for the renewed license as that number issued for the original license.

Fee

The board shall assess the following schedule of fees, which shall not be refundable:

1. Application fee	$ 50
2. Examination fee	$ 75
3. Reexamination fee	$ 40
4. Initial license fee	$100
5. Annual renewal license fee	$100
6. Restoration fee of a license	$ 40
7. Replacement fee of a lost, destroyed or mutilated license	$ 25
8. Delinquency for renewal	$ 50
9. Apprentice fee	$ 50
10. Annual certification of a licensed auctioneering school or a school offering auctioneering courses	$300

All fees shall be paid by certified check or money order made payable to the board.

Reciprocity and Licensure Without Examination

A person holding a license to engage in auctions issued to him by a proper authority of a state, territory or possession of the United States of America or the District of Columbia having licensing requirements comparable to Louisiana and who in the opinion of the board otherwise meets the requirements of this Chapter may upon application be licensed without further examination.

Nothing in this Section shall prevent the conduct of an auction in this state by any non-resident auctioneer from another state if such auctioneer is duly licensed by such other state and the other state through reciprocity permits a resident of this state who is an auctioneer duly licensed to conduct auctions in this state to conduct auctions in such other state without being required to obtain a license in such other state. The license fee applicable to a non-resident auctioneer from another state which does not permit an auctioneer who is a resident of this state and who is duly licensed in this state to conduct auctions in the other state without being required to obtain a license in such other state shall be of the same amount that such other state charges auctioneers who are resi-

dents of this state and who are duly licensed in this state to obtain a license to conduct an auction in such other states.

Notwithstanding any other provision of law to the contrary, no person duly licensed as an auctioneer in any other state and temporarily present in this state shall conduct an auction in this state unless he acts in association with an auctioneer duly licensed in this state if the state in which the non-resident auctioneer is licensed requires such an association with an auctioneer licensed in that state before an auctioneer duly licensed in Louisiana may conduct an auction in that state.

Every non-resident applicant for a license under this Chapter shall file with the board as part of the application for a license a written irrevocable consent that any cause of action growing out of any transaction subject to this Section may be commenced against the licensee in the proper court of any parish of this state in which the cause of action may arise or in which the plaintiff may reside by a service of process upon the board as the licensee's agent and stipulating and agreeing that such service has been made upon the person according to the laws of this or any other state. Such instrument shall be in such form and supported by such additional information as the board may by rule require.

All individuals making application for an auctioneer license per reciprocal agreement shall submit with their application a letter of certification from the state board or commission of their state of domicile, certifying that they are duly licensed in said state, stating their residency, date of issuance, expiration date and license number.

Apprentice Auctioneer Bond

Before entering upon the discharge of his duties, an apprentice auctioneer shall execute his bond with security in the sum of $2,500 in favor of the governor of the state conditioned for the faithful performance of all duties required by law toward all persons who may employ him as an apprentice auctioneer and for all sums belonging to other persons which he receives in his official capacity.

Apprentice Licensees Supervisor

An apprentice license is valid only while the licensee has a licensed auctioneer who serves as the licensee's supervisor. No apprentice auctioneer may enter into an agreement to conduct an auction without the express approval of his supervisor. Upon termination of such association, the auctioneer-supervisor shall immediately fill out the form obtained from the Louisiana Auctioneers Licensing Board showing the date of termination and return same to the board for cancellation.

Causes for Non-Issuance, Suspension, Revocation or Restrictions; Fines; Reinstatement

The board may refuse to issue or may suspend, revoke or impose probationary or other restrictions of any license issued under this Chapter for any of the following causes:

1. Conviction of a felony or entry of a plea of guilty or nolo contendere to a felony charge under the laws of the United States of America or of any state.

2. Deceit or perjury in obtaining any certificate or license issued under this Chapter.

3. Providing false testimony before the board.

4. Efforts to deceive or defraud the public.

5. Incompetency or gross negligence.

6. Rendering, submitting, subscribing or verifying false, deceptive, misleading or unfounded opinions or reports.

7. The refusal of the licensing authority of another state to issue or renew a license, permit or certificate in that state or the revocation or suspension of or other restriction imposed on a license, permit or certificate issued by such licensing authority.

8. Aiding or abetting a person to evade the provisions of this Chapter or knowingly combining or conspiring with an unlicensed person or acting as an agent, partner, associate or otherwise, of an unlicensed person with intent to evade provisions of this Chapter.

9. Violation of any provision of this Chapter or any rules or regulations of the board or rules of conduct promulgated by the board.

The board may, as a probationary condition or as a condition of the reinstatement of any license suspended or revoked hereunder, require the holder to pay all costs of the board proceedings, including investigators', stenographers' and attorneys' fees.

Four concurring votes of the board shall be required for the revocation of any license. Four concurring votes shall be required for suspension of any license or the imposition of costs or fines in excess of $500.

Any certificate or license suspended, revoked or otherwise restricted by the board may be reinstated by majority vote of the board.

RULE 7

Cease and Desist Order and Injunctive Relief

In addition to or in lieu of the criminal penalties and administrative sanctions provided in this Chapter, the board is empowered to issue an order to any person or firm engaged in any activity, conduct or practice constituting a violation of any provision of this Chapter directing such person or firm to cease and desist from such activity, conduct or practice. Such order shall be issued in the name of the State of Louisiana under the official seal of the board.

Upon a proper showing by the board that such person or firm has engaged in any activity, conduct or practice prescribed by this Chapter, the court shall issue a temporary restraining order restraining the person or firm from engaging in unlawful activity, conduct or practices pending the hearing on a preliminary injunction, and in due course a permanent injunction shall issue after hearing commanding the cessation of the unlawful activity, conduct or practices complained of, all without the necessity of the board having to give bond as usually required in such cases. A temporary restraining order, preliminary injunction or permanent injunction issued hereunder shall not be subject to being released upon bond.

If the person or firm to whom the board directs a cease and desist order does not cease and desist the prescribed activity, conduct or practice within 10 days from service of such cease and desist order by certified mail, the board may cause to issue in any court of competent jurisdiction and proper venue a writ of injunction enjoining such person or firm from engaging in any activity, conduct or practice by this Chapter.

RULE 8

Violations and Penalties

Any person who engages in auctions without a valid license violates this Chapter.

Any person who willfully violates any provisions of this Chapter or any rules and regulations adopted under its authority shall be fined for each offense not more than $500 or imprisoned not more than six months, or both.

RULE 9

Responsibilities of Licensed Auctioneer Required by the Board

The auctioneer shall be responsible for the advertising and management of the sale and account for all proceeds therefrom and shall, over his signature, issue a closing statement to the sellers.

All advertising of an auction sale must be made in the name of the licensee who shall bear responsibility of the sale to the seller, general public and auctioneer board. The current license number must be published.

A licensee shall conduct his professional activities in a

professional manner that will reflect credit upon himself, the auction profession and auctioneers. Unprofessional conduct includes but is not limited to the following:

a. Failure of a licensee to account to and pay over all monies and tangible personal property coming into his possession which belong to others including buyers at auction as well as consignors no later than 30 days from the date that the obligation arises to remit or deliver the said monies or tangible personal property.

b. A licensee's payment of compensation in money or other valuable things to any person other than a licensee for the rendering of any service or the doing of any of the acts by this Act forbidden to be rendered or performed by other than licensees.

RULE 10

Fund of the Board

There is hereby created a special fund designated as the Louisiana Auctioneers Licensing Board Fund. The fund shall be audited by a firm of certified public accountants and maintained and controlled by the board. All fees paid to the board and any other revenues shall be deposited in said fund.

RULE 11

Adoption of rules

The adoption of any rule or regulation, guideline, substantive procedure or code of conduct shall be subject to the provisions of the Administrative Procedure Act.

RULE 12

Fiscal Year

The fiscal year of the board shall end on June 30 of each year hereafter.

RULE 13

By-Laws

Bylaws of the board may be adopted, amended or repealed by the members of the board at a regular meeting or a special meeting.

RULE 14

Transfer of Boards, Commissions, Departments and Agencies to the Department of Commerce

The following agencies, as defined by R.S. 36:3, are transferred to and shall be within the Department of Commerce, as provided in R.S. 36:803:

Louisiana Auctioneers Licensing Board (R.S. 37:3101 - 37:3105 and R.S. 37:3111 - 37:3123)

Section 6. Chapter 7 of Title 5 of the Louisiana Revised Statutes of 1950, comprised of R.S. 5:361 through 5:368, inclusive is hereby repealed in its entirety.

Section 3. R.S. 5:4 and R.S. 37:3114(E) are hereby specifically repealed in their entirety.

Keith Babb
Chairman

RULE

Department of Commerce
Board of Examiners for Interior Designers

The State Board of Examiners of Interior Designers, pursuant to the authority to adopt rules and in accordance with the "Notice of Intent" published in the *Louisiana Register* on February 20, 1985, has adopted the following regulations.

RULE 1

COMPOSITION AND OPERATION OF BOARD

1.1 NAME

The name of this board shall be the Louisiana State Board of Examiners for Interior Designers, hereafter called the "board," as provided for by Act 227 of the 1984 Regular Legislative Session, hereafter called the "Act."

1.2 MEMBERSHIP

All appointments to membership on the board shall be made by the governor of the State of Louisiana as provided for by the Act.

1.3 MEETINGS

The board shall have at least two meetings per year for the purpose of examining candidates for registration as interior designers. The board may hold such other meetings and hearings as required for the proper performance of its duties under the Act so long as it does not exceed six meetings a year.

1.4 ORDER OF BUSINESS

The order of business at any meeting shall be established by the chairman and conducted in accordance with *Robert's Rules of Order.*

1.5 EXPENSES OF THE BOARD

Members of the board shall receive no compensation for their services but shall receive the same per diem and mileage as is provided by law for the members of the legislature for each day the board conducts business.

1.6 FINANCIAL OPERATION OF THE BOARD

Payments out of the board's fund shall be made only upon orders of the board. Members of the board shall receive no compensation for their services but shall receive the same per diem and mileage as is provided by law for the members of the legislature for each day the board conducts business.

1.7 QUORUM

A quorum of the board as stated by the Act shall consist of four members of the board, of which a majority vote is required for the approval of any decision.

1.8 SUB-COMMITTEES

The chairman shall appoint members to sub-committees as needed to fulfill the duties of the board.

1.9 STAFF

The board may, at its discretion, employ an executive assistant, legal counsel, and such other assistants and clerical staff as it deems necessary.

RULE 2

OFFICERS OF BOARD AND THEIR DUTIES

2.1 CHAIRMAN

The chairman shall exercise general supervision of the board's affairs, shall preside at all meetings when present, shall appoint any committees within the board, shall sign all vouchers, and shall perform all other duties pertaining to the office as deemed necessary and appropriate.

2.2 VICE-CHAIRMAN

The vice chairman shall perform the duties of the chairman in his absence or other duties assigned by the chairman.

2.3 SECRETARY

The secretary shall be an administrative officer of the board. He shall act as its recording and corresponding secretary and may have custody of and shall safeguard and keep in good order all property and records of the board which the chairman deems necessary and appropriate; cause written minutes of every meeting of the board to be kept in a book of minutes; keep its seal and affix it to such instruments as require it; sign all instruments and matters that require attest and approval of the board; act as treasurer and receive and deposit all funds to the credit of the "Interior Design Fund;" attest all itemized vouchers approved by the chairman for payment of expenses of the board; make such reports to the governor and legislature as provided for by law or as requested by same; and keep the records and books of account of the board's financial affairs and any other duties as directed by the board.

RULE 3

FEES AND CHARGES

3.1 FEES AND CHARGES

All fees and charges must be made by cashier's check or

money order. The following fees and charges have been established:

1. Initial Registration and Examination Fee $150
2. Annual Renewal Fee ..... $ 50
3. Renewal of Expired License ..... $ 75
4. Replacing Lost Certificate ..... $ 10
5. Restoration of Revoked or Suspended License ..... $ 75

NOTE: The fees and charges may be amended by the board in accordance to the Act and rules of the board.

RULE 4
CERTIFICATES OF REGISTRATION - ISSUANCE AND REINSTATEMENT

4.1 CERTIFICATES OF REGISTRATION

Certificates of registration issued by the board shall run to and include December 31 of the calendar year following their issue. The initial registration fee (payable by cashier's check or money order) of $150 should be submitted with the application to the board. Certificates must be renewed annually for the following calendar year, by the payment of a fee of $50; provided that any approved applicant who has paid the initial registration fee of the preceding calendar year shall not be required to pay the renewal fee until December 31 of the next succeeding calendar year. Certificates not renewed by December 31 shall become invalid.

4.2 REINSTATEMENT OF CERTIFICATES

When a certificate has become invalid through failure to renew by December 31, it may be reinstated by the board at any time during the remainder of the following calendar year on payment of the renewal fee ($50), plus a late penalty renewal fee of $25. In case of failure to reinstate within one year from the date of expiration, the certificate cannot be renewed or reissued except by a new application approved by the board and payment of the registration fee.

4.3 LOST OR DESTROYED CERTIFICATES

Lost or destroyed certificates may be replaced on presentation of a sworn statement giving the circumstances surrounding the loss or destruction thereof, together with a fee of $10. Such replaced certificate shall be marked "Duplicate."

RULE 5
EXAMINATION AND REGISTRATION

5.1 QUALIFICATIONS FOR REGISTRATION

To be eligible for the examination, an applicant shall submit satisfactory evidence of having successfully completed at least four years of study at the high school level, plus one or more of the following:

1. Four years of professional education in the field of interior design at the post-secondary level. Post-secondary shall include, but not be limited to colleges or universities.

2. Six years of professional experience working in the field of interior design.

3. Four years as an educator in the field of interior design.

The board shall determine whether or not an applicant's professional education and experience in the field of interior design is sufficient to establish eligibility for the examination.

5.2 APPLICATION PROCEDURE

Application must be made to the board on application forms obtained from the State Board of Examiners for Interior Design and required fees filed. Application forms may be obtained by calling 504/342-5388 or writing to: State Board of Examiners for Interior Design, Box 94185, Baton Rouge, LA 70804-9185.

5.3 RECIPROCAL REGISTRATION

Persons providing evidence of registration or licensing in another state, whose requirements for registration are equivalent to Louisiana's requirements and who extend the same privilege to those registered in Louisiana, may become registered by the board upon payment by such person of the initial registration fee.

5.4 EXAMINATION

The examination for purposes of the Act shall be the National Council for Interior Design Qualification (NCIDQ) Examination, which shall be held at least twice a year in the State of Louisiana. Application forms for said examinations may be obtained by contacting the board. The applicant must pass both the "written" and "design" portions of the examination and submit proof of passage to the board.

5.5 SEAL

An applicant for licensing who complies with all requirements established therefor, including the successful completion of an examination where applicable, shall be issued a certificate by the board to evidence such licensing. Each holder of a license shall secure a seal of such design as is prescribed in the rules of the board. All drawings, renderings, or specifications prepared by the holder or under his supervision shall be imprinted with his seal.

RULE 6
REVOCATION OR SUSPENSION OF CERTIFICATE

6.1 AUTHORITY OF BOARD TO SUSPEND OR REVOKE

The board may suspend for a definite period or revoke any certificate of registration on grounds that a registrant fraudulently or deceitfully obtained same.

6.2 PROCEDURE FOR SUSPENSION OR REVOCATION

Upon receipt of notice of any alleged violations of this Chapter, or any rule or regulation adopted by the board, the board shall institute a preliminary investigation. If warranted by the investigation, the board shall duly notify the alleged violator and schedule a timely hearing for the resolution of the alleged violation. If following such hearing the board reasonably finds that a violation of the rule or of the rules or regulations promulgated by the board has occurred, the board shall take such disciplinary action that it may in its discretion choose to exercise in keeping with its delegated authority.

6.3 APPEAL PROCESS

Any person aggrieved by any disciplinary action of the board shall have the right to a rehearing by the board if written application for a rehearing is made to the board within 15 days after the adverse disciplinary action. If such person is aggrieved further by a decision or action by the board on rehearing, such person may appeal the decision or action of the board to the district court in the parish in which he is domiciled. The written petition for a rehearing in district court shall be made within 30 days after written notice sent to the person of the action or decision of the board on rehearing.

6.4 ENFORCEMENT OF BOARD'S DECISIONS

The board may apply to any court which has jurisdiction for an order enjoining or restraining the continuance of the alleged unlawful act.

RULE 7
SEVERABILITY

7.1 SEVERABILITY

If any provision or item of the rules of the board or the application thereof is held invalid, such invalidity shall not affect other provisions, items or applications of the rules of the board which can be given effect without the invalid provisions, items or applications, and to this end the provisions of the rules of the board are hereby declared severable.

Dan Bouligny
Chairman

RULE

Department of Commerce
Licensing Board for Contractors

At its meeting on March 12, 1985, the State Licensing Board for Contractors adopted new rules to read as follow:

Rule XXX

The board interprets that a contractor possessing a major classification is permitted to bid or perform any of the specialty type work listed under their respective major classification in Section 2156.2 or any other work that might not be listed which is directly related to the major classification he may hold as long as it is not prohibited by any rule.

Rule XXXI

Any licensee who has the authority to perform any type of work under his license can also dismantle, demolish or wreck that type work exclusive of explosives.

Also adopted were amendments to the following rules which read:

Rule IV

The annual fee for licenses for the following year shall be set by the board at its July meeting each year. The annual fee in no case for renewal of licenses shall be more than $100 for any one major classification or subdivision thereof, and not more than $50 for each specialty, additional major classification or subdivision thereof. In no case shall the maximum fee exceed $300. In addition, there will be a $25 charge for each examination or re-examination and a $25 charge for a structural change.

Rule VI C.3

The classification(s) will become effective immediately upon taking and successfully passing the required examination.

Rule XXVIII

In any instance where approval of an application has been withheld under the terms of R. S. 37:2160D., a contractor shall have the right to apply to the board for a hearing following which the board may continue to withhold approval or grant its approval at its own discretion.

These amendments to the rules were presented to the Legislative Committee on February 28, 1985 which resulted in no change from the above.

Roy A. Yarborough
Assistant Director

RULES

Department of Culture, Recreation and Tourism
Office of Cultural Development
Division of the Arts

The Department of Culture, Recreation and Tourism, Office of Cultural Development, Division of the Arts, and Louisiana State Arts Council, pursuant to the authority in LRS 49:950, et seq., Act 265 of 1977, and in accordance with the Notice of Intent published in the November 20, 1984 issue of *Louisiana Register,* adopted the amendments to the program guidelines for the funding and administration of the state's arts grant program.

Copies of the complete set of grant program guidelines, as amended for 1985-86, are available from the Division of the Arts, 666 North Foster, Baton Rouge, Louisiana. The revisions of the guidelines for 1985-86 consist of: changing deadlines and requirements for submitting applications for grants-in-aid; adding an Arts in Education Program for parish and public libraries; adding a Local Arts Agency Program; renaming the Block Grant Program to Major Arts Institution Program, and in that program limiting requests for general programming to 15 percent of prior year operating income and adding challenge fund raising for up to an additional 15 percent; and other minor changes of a technical nature to clarify and/or improve narrative in current guidelines.

Noelle LeBlanc
Secretary

RULES

Board of Elementary and Secondary Education

Notice is hereby given that the Board of Elementary and Secondary Education, pursuant to Notice of Intent published on January 20, 1985 and under the authority contained in Louisiana State Constitution (1974), Article VIII, Section 3; Act 455 of the Regular Session, adopted as policy, the rule listed below:

Rule 4.05.02

Delete Paragraph 2 of the Policy for Revocation of Teaching Certificates for Cause and substitute the following:

"Upon receiving notice that a teacher has been convicted of a felony offense, defined by Louisiana Revised Statutes 14:2(4), as being any crime for which an offender may be sentenced to death or imprisonment at hard labor, the State Department of Education shall immediately suspend the teacher's certificate. The department shall promptly notify the board in writing and notify the person whose certificate is so suspended by registered mail to his last known address or by any other means reasonably designed to inform the affected teacher of the suspension and his right to a hearing. Upon the order of the board, the department shall notify the teacher of the date, time, and place of the hearing which shall be not less than 20 days nor more than 30 days from the date of the board's order for a hearing. The notice shall be sent by registered mail, return receipt requested to the last known address of the teacher or by any other means reasonably designed to inform the affected teacher of the hearing. The notice shall include the specific charge, the witnesses to be called by the department, the right of the teacher to present witnesses and documents in his defense, the right of the teacher to cross-examine any witnesses against him and the right of the teacher to be represented by counsel of the teacher's choosing. The hearing shall be private unless the teacher elects to make it public. The purpose of the hearing shall be to determine if sufficient grounds exist to warrant the suspension or revocation of his certificate.

James V. Soileau
Executive Director

RULE

Office of the Governor
Department of Veterans Affairs

The Louisiana Department of Veterans Affairs adopted an amendment to a rule previously published pertaining to the War Veterans Home Eligibility Requirements and Residents Care and Maintenance Fees. This amends rule number 8-B as published in the January 20, 1985, issue of the *Louisiana Register.*

War Veterans Home

8. SECTION B. For Nursing Care III, intermediate level care residents, the following rule will apply when computing care and maintenance fees. Residents will retain the first $60 per month, to be used for personal expenses. The remaining income will be applied to care and maintenance fee until maximum care cost is reached.

Cleo C. Yarbrough
Executive Director

RULE

Office of the Governor
Office of Elderly Affairs

In accordance with LA R.S. 49:950 et seq., The Administrative Procedure Act, notice is hereby given that the Governor's Office of Elderly Affairs has adopted the Louisiana State Plan on Aging for the period beginning October 1, 1983 and ending September 30, 1987. This action was necessary to comply with the provisions of Subsection 954 concerning the filing and taking effect of rules. The effective date of this rule is April 20, 1985.

Sandra C. Adams
Director

RULE

Office of the Governor
Office of Elderly Affairs

In accordance with LA R.S. 49:950 et seq., The Administrative Procedure Act, notice is hereby given that the Governor's Office of Elderly Affairs has amended the Louisiana State Plan on Aging for the period beginning October 1, 1983 and ending September 30, 1987. The purpose of the amendment is to consolidate the five existing planning and service areas whose boundaries are coterminous with the following parishes: East Carroll, Franklin, Richland, Jackson and Union. The effective date of this amendment is July 1, 1985.

Sandra C. Adams
Director

RULE

Office of the Governor
Office of Minority Business Enterprises

I. STATEMENT OF POLICY/LEGAL BASIS

In accordance with the Louisiana Minority Business Enterprise Act of 1984 (L.R.S. 39:1951-1969 and 39:1981-1991) and the provisions of the Administrative Procedure Act, R.S. 49:950-970 as amended, the Office of the Governor, Office of Minority Business Enterprises, hereby adopts the following policies, rules and regulations relative to the Minority Business Enterprise Program, to be effective April 20, 1985. These regulations are both substantive and technical in nature, and are intended to specify the procedures for certification and as qualifications for a minority business enterprise; to provide for the effect of certification; to establish procedures for setting and attaining goals for minority business participation in state procurement activities; to provide for contracts requiring minority business participation and the monitoring of agency and institutional contracts; and to establish penalties for interference and noncompliance. These regulations apply to all state departments, boards or commissions or educational institutions, created by the Legislature or Executive Order within the Executive Branch of state government pursuant to Title 36, operating from funds appropriated, dedicated or self-sustaining; federal funds; or funds generated from any other source. These regulations do not apply to agencies of the Judicial or Legislative branches of state government, except to the extent that procurement or public works for these branches is performed by an Executive Branch agency.

Legal Basis: L.R.S. 39:1953 B (7)-The Office of Minority Business Enterprises shall adopt rules as necessary for implementation of this Chapter.

II. DEFINITIONS: When used in these regulations, the following terms shall have meanings as set forth below:

A. Small business: A business entity organized for profit (including an individual, partnership, corporation, joint venture, association or cooperative), as defined by the Small Business Administration of the United States Government which for purposes of size eligibility or other factors meets the applicable criteria set forth in Part 121 of Title 13 of the Code of Federal Regulations, as amended, and which has its principal place of business in Louisiana.

B. Minority: A person who is a citizen or lawful permanent resident of the United States domiciled in Louisiana and who is a member of one or more of the following groups:

1. Black: having origins in any of the black racial groups of Africa.

2. Hispanic: having origins in Mexico, Puerto Rico, Cuba, Central or South America, or in other Spanish or Portuguese cultures, regardless of race.

3. Asian American: having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands.

4. American Indian or Alaskan Native: having origins in any of the original peoples of North America.

C. Minority business enterprise or minority-owned business: A small business, organized for profit and performing a commercially useful function, which is owned and controlled by one or more minority individuals or minority business enterprises and which has its principal place of business in Louisiana.

1. Commercially useful function: Responsible for execution of a contract or distinct element of work under a contract by actually performing, managing, and supervising the work involved.

2. Owned and controlled: Ownership of at least 51 percent of the firm, or in the case of a corporation at least 51 percent of the voting stock, *and* controlling at least 51 percent of the management and daily business operations of the business.

D. State procurement activity: The purchase, lease, or rental of any goods and/or services undertaken for any state governmental entity which is subject to these regulations. Procurement activities specifically include the following types of expenditures:

1. Goods and/or services: All purchases for supplies or services made under Chapters 16 or 17 of Title 39 of the Louisiana Revised Statutes of 1950 and all purchases of materials and supplies made under Chapter 10 of Title 38 of the Louisiana Revised Statutes of 1950, including selection of professional services under Part VII of Chapter 10 of Title 38.

a. Personal service: work rendered by an independent contractor which requires the use of creative or artistic skills, such as graphic artists, sculptors, musicians, photographers and writers, or which requires the use of highly technical or unique individual skills or talents, such as paramedicals, therapists, handwriting analysts, and expert witnesses for adjudication or court proceedings.

b. Professional service: work rendered by an independent contractor who has a professional knowledge of some department of learning or science used by its practical application to the affairs of others or in the practice of an art founded on it, including but not limited to lawyers, doctors, dentists, veterinarians, architects, engineers, landscape architects, and accountants. A profession is a vocation founded upon prolonged and specialized intellectual training which enables a particular service to be rendered. The word "professional" implies professed attainments in special knowledge as distinguished from mere skill. For contracts with a total amount of compensation of $75,000 or more, the definition of "professional service" shall be limited to lawyers, doctors, den-

tists, veterinarians, architects, engineers, landscape architects, accountants, and any other profession that may be added by regulations adopted by the Office of Contractual Review of the Division of Administration.

c. Consulting service: work, other than professional or personal services, rendered by an independent contractor who possesses specialized knowledge, experience and expertise to investigate assigned problems or projects and to provide counsel, review, design, development, analysis or advice in formulating or implementing programs or services or improvements in programs or services, including but not limited to such areas as management, personnel, finance, accounting, planning and feasibility studies, data processing, advertising and public relations.

2. Public works: All work - including construction, highway and ferry construction, alteration and improvements (other than ordinary maintenance) - as provided in Chapter 10 of Title 38 or Chapter 1 of Title 48 of Louisiana Revised Statutes of 1950.

E. Certified minority vendor: A minority business enterprise or minority-owned business as defined in C above which has completed the certification process as provided in Section III. C of these rules.

F. Certification: The process provided in Section III of these rules by which a minority-owned business or minority business enterprise is certified by the Office of Minority Business Enterprises (OMBE) as meeting the criteria for participation in the state's minority-owned business set-aside program.

G. Non-certified minority vendor: A minority business enterprise or minority-owned business as defined in C above which has not been certified for participation in the set-aside program under Section III. C but which has confirmed its minority status under the procedures specified in Section X of these rules.

H. State agency: Any agency, department, office, division, board, commission, educational institution, correctional facility, or other governmental entity within the Executive Branch of the State of Louisiana.

I. Set-aside: Those purchases, contracts, contract classes, or public works which have been designated and specifically set-aside by the Commissioner of Administration and/or the agency for awarding to minority-owned businesses or minority business enterprises under the provisions of Section VIII and/or Section IX of these rules.

1. Contract: All types of state agreements, regardless of name, for the purchase of supplies or services or for construction or major repairs. The term contract includes, but is not limited to, the following:

a. awards and notices of award

b. contracts of fixed price, cost, cost and fixed fee, or incentive type

c. leases/rental agreements

d. letter contracts

e. contracts involving job or task orders

f. purchase orders

g. any supplemental agreements of these types

2. Class of contracts: An entire group of contracts having a common characteristic.

J. Annual target goal: The annual overall percentage of funds expected to be expended by each state agency for the procurement of all goods and services from minority-owned businesses, which has been established by the executive director of the Office of Minority Business Enterprises and the commissioner of administration in accordance with Section VII.A of these rules.

K. Annual plan: The annual document prepared by each department of state government in accordance with Section VII.B of these rules which details the means by which that entity shall attempt to achieve its established annual target goal.

L. Contracting base: The total annual funds of an agency which have been budgeted for the procurement of goods and services—other than capitol outlay expenditures—for the subject fiscal year.

M. Adjusted fiscal year (target) base: The contracting base for an agency, less any excluded estimated expenditures under Section VII of these rules, against which the annual goal percentage is to be applied.

III. CERTIFICATION PROCEDURES

A. Eligibility for participation in the minority set-aside program of the state is contingent upon certification that the minority-owned business or minority business enterprise meets the criteria defined in Section II. A-C of these rules. It is the responsibility of any minority business wishing to participate in the minority set-aside program or otherwise to receive minority vendor preference to complete the required certification process.

B. Certification materials will be distributed to interested minority vendors upon written or verbal request. Written requests for certification materials should be directed to the Office of Minority Business Enterprises at Box 94095; Baton Rouge, LA 70804-9095. Telephone requests should be directed to that same office at (504) 342-6491 (LINC 421-6491).

C. Vendors must complete all portions of the certification materials and return them as specified in the following Subsections, in order to be considered for certification under the minority set-aside program.

1. The following documents plus any specified attachments constitute the certification materials required from minority vendors interested in providing goods, services or supplies under R.S. 39:1551-1755:

a. Certification Resume (Form # DA 3302; Revised 4/85) which must be completed and returned to the State Central Purchasing Section of the Division of Administration at Box 94095; Baton Rouge, LA 70804-9095. The following attachments must accompany the Certification Resume when it is submitted:

i. Legal ownership documents (articles of incorporation, partnership agreements, stock ownership/distribution agreements, etc.) must accompany the Certification Resume *if* certification is being sought for a partnership, corporation, or a joint venture.

ii. Birth certificates must be provided for *all* minority vendors for which certification is being sought, regardless of type of business structure.

iii. All information requested on the Certification Resume must be supplied, and the document itself must be notarized as indicated prior to submittal.

b. Bidders Application (Form # DA 3327/FACS Form 722; Revised 3/83), which is to be completed by the vendor and returned to the State Central Purchasing Section of the Division of Administration along with the Certification Resume.

2. For minority vendors interested in providing professional, personal or consulting services under R.S. 39:1481-1526 or who are interested in construction contract work in connection with public works projects under R.S. 38:2184-2137, the following documents plus specified attachments shall constitute the required certification materials:

a. Certification Resume (Form # DA 3302; Revised 4/85) plus attachments as specified in Section III.C. i-iii above.

b. A listing, on company letterhead, of the subject areas of expertise of the vendor company, to include resumes of key personnel, plus a list describing previous work done in each subject area with sufficient identification of the client and a contact person (name, title, business address, telephone number) for each client listed, such that references might be obtained.

c. All of the above materials must be submitted *directly* to the Office of Minority Business Enterprises for certification of these types of vendors.

3. The Louisiana Department of Transportation and Development will continue to certify, in accordance with its own procedures, minority-owned business contractors who wish to perform work under Chapter 1 of Title 48. The Office of Minority Business Enterprises will accept such certifications as equivalent to its own.

D. It is the responsibility of the applying vendor to provide all the information requested on each of the specified certification documents. Failure to provide adequate data may result in rejection of the application to participate in the minority set-aside program.

E. Minority vendors with questions about the certification process and/or the information requirements of the certification documents are encouraged to contact the Office of Minority Business Enterprises prior to submittal of documents, to obtain assistance that may prevent rejection of the certification application.

F. Certification of vendors as eligible to participate in the minority set-aside program requires the approval of several governmental agencies other than OMBE. To enable all governmental entities ample time to review each certification request, vendors will be notified by OMBE of the certification decision within 20 calendar days from submittal of the application materials.

G. In the event that a request for certification is disapproved, the notification from OMBE will specify the reasons for disapproval.

H. Vendors may appeal certification disapproval, unless such disapproval is based upon verified ineligibility of the vendor as a minority-owned business under the Minority Business Enterprises Act. The applicant business vendor must file the appeal for reconsideration in writing with OMBE within 30 calendar days of mailing of the decision, or the decision shall become administratively final. The vendor must specify within the petition for reconsideration the grounds upon which an appeal of the decision is justified, and must clearly indicate the type of remedy being requested. The request for reconsideration must also clearly identify a contact person within the place of business, and may provide any additional information which the applicant has to offer which might affect the reconsideration decision.

I. Upon receipt of a petition for reconsideration, OMBE shall review its original decision, any additional information provided by the applicant business, and may conduct further investigation as necessary. OMBE shall respond to the request within 30 calendar days of receipt of the petition for reconsideration, via certified mail, return receipt requested. The response from OMBE shall contain specific reason(s) why the disapproval decision has been upheld or overturned. In the event that the disapproval is rescinded as the result of an appeal, OMBE will in its decision notification to the vendor, indicate what steps must be taken to complete the certification process.

J. A decision to deny certification following consideration of a petition for reconsideration is administratively final.

K. OMBE reserves the right to verify any and all information submitted by a vendor on its application materials, in whatever manner seems most appropriate by OMBE, including but not limited to on-site visits, telephone interviews, or other records research.

L. OMBE further reserves the right to make unscheduled visits to the place of business of any vendor participating in the Minority Business Enterprises Program, and to conduct interviews with staff or otherwise to observe and review the operations of any vendor, for the purposes of confirming or verifying minority ownership and/or operational control.

M. Vendors shall notify OMBE immediately in writing in the event of any changes in ownership, control or operations which might impact continued eligibility of the vendor to participate as a minority-owned business. Failure to do so may result in immediate suspension of certification or decertification of the vendor and dissolution of any set-aside contracts that may have been received during the period of the change. Failure to report a change in minority ownership which results in ineligibility of the business will result in a fine of not less than $1000. If the business has continued to operate as a minority-owned business and has continued to participate inappropriately in the minority set-aside program, a fine of not less than $5000 and immediate decertification shall result.

N. An applicant which has withdrawn its application or whose application has been denied may file a new application only if there has been a change in ownership, control or organization of the business. No business may file more than two applications in any calendar year.

O. Certification as a minority business enterprise does not constitute compliance with any other laws or regulations (including contractor registration or prequalification requirements), and does not relieve any firm of its obligations under other laws or regulations. Certification as a minority business enterprise also does not constitute any determination by the Office of Minority Business Enterprises that the firm is responsible or capable of performing any work.

P. Exceptions to vendor certification requirements:

1. The commissioner of administration, upon the recommendation of the executive director of OMBE, may waive in writing the small business portion of the certification requirements, so that a minority-owned business meeting all other certification criteria may participate in the set-aside program or otherwise obtain minority preferences. Such determination shall be made on a case-by-case basis, and prior written approval of the commissioner must be obtained before the vendor shall be deemed eligible for certification.

2. When a federal requirement that is a prescribed condition for allocation of federal funds to the State of Louisiana sets forth criteria for certification which are in conflict with those in these rules, then a business who is not otherwise certified for participation in the minority business enterprise program, but meets the particular federal criteria, shall be certified as a minority business enterprise for the particular project(s) funded under those requirements, upon submittal to the Office of Minority Business Enterprise of sufficient documentation to show that said business meets the federal criteria.

IV. RECERTIFICATION PROCEDURES

A. Certification to participate in the minority set-aside program shall be valid for one calendar year. Prior to expiration of any minority-owned business certification, OMBE will notify the firm that recertification has become due. Vendors wishing to continue to participate in the minority set-aside program must submit a new Certification Resume for recertification approval. Substantiating documentation shall not be required with recertification forms, unless changes have occurred in legal ownership of the firm since the initial certification was received. In addition, if changes have occurred in the commodities or services for which the vendor wishes to receive bids, both State Central Purchasing and OMBE must be notified via a letter from the vendor.

B. Minority business enterprises which make no effort at recertification as of one month from the recertification notification date shall be deleted from the active vendor files, and shall be ineligible to participate in the minority set-aside program and/or any set-aside awards until such time as recertification has been completed.

V. COMPLAINTS CONCERNING CERTIFIED VENDORS

A. Any individual, firm, agency or other person who be-

lieves that an applicant certified as a minority business enterprise does not qualify under the standards of eligibiltiy for certification may file a written, signed complaint with the Office of Minority Business Enterprises. Such complaints must contain sufficient information for the office to determine the validity of the complaint, including specific identification of the affected applicant business; the basis for the belief that the applicant does not meet eligibility criteria; and an identification of the complaint.

B. Within available resources, OMBE shall investigate each complaint as promptly as possible; in no event shall any investigation period exceed 60 calendar days from receipt of the complaint.

C. OMBE shall notify the subject minority-owned business of the details of the complaint by certified mail, return receipt requested, within ten calendar days of complaint receipt.

D. No minority business enterprise shall be decertified based upon a complaint, without first having an opportunity to respond to the complaint. However, failure of the minority-owned business to respond to notification of the complaint within 20 calendar days of mailing from OMBE may result in suspension of certification or decertification.

E. The minority business enterprise shall cooperate fully in any complaint investigation, and shall make its staff and/or records available to assist OMBE in its investigations as necessary.

F. The director of OMBE may suspend the certification of the affected minority business enterprise pending the outcome of the investigation, after providing the firm with seven calendar days notice via certified mail, return receipt requested to show cause why suspension should not occur. Any such suspensions shall last not more than 60 calendar days.

G. Upon completion of the investigation, the director of OMBE shall issue a written decision, either rejecting the complaint or revoking certification of the minority business enterprise. The written decision shall be distributed to both the minority business enterprise involved and to the complainant.

VI. DECERTIFICATION PROCEDURES

A. Decisions by OMBE to deny certification, deny renewal of certification, or to revoke certification will be reconsidered upon submittal by the applicant business of a written petition for reconsideration on the following grounds:

1. The Office of Minority Business Enterprises did not have all relevant information;

2. The Office of Minority Business Enterprises misapplied its rules; or

3. The Office of Minority Business Enterprises otherwise made an error in reaching its original decision.

B. Such petitions for reconsideration must be received by OMBE within 30 calendar days of mailing of the original decision, or the decision becomes administratively final. The reconsideration appeal must contain specific information on why the decision is believed to be in error, and must specify the remedy being sought by the applicant business. In addition, the reconsideration appeal must identify a contact person within the firm, and must supply any additional information which the applicant has to offer.

C. Upon receipt of a petition for reconsideration, OMBE shall review its original decision plus any additional information provided by the applicant, and may conduct further investigations as necessary. OMBE shall respond to the request for reconsideration within 30 calendar days of receipt of the petition for reconsideration, via certified mail, return receipt requested. The response shall contain specific reason(s) why the decision has been upheld or overturned.

D. A decision to deny, revoke, or suspend certification following consideration of a petition for reconsideration is administratively final.

VII. MINORITY PARTICIPATION IN STATE PROCUREMENT ACTIVITY

A. Establishment of Annual Goals for Agencies

1. The director of the Office of Minority Business Enterprises with the concurrence of the commissioner of administration shall establish overall annual goals for participation by certified minority businesses in the procurement of all goods and services by each state agency, based upon the estimated expenditures by category in the budget request documents. These goals shall be in the form of overall annual percentages of expenditures which are expected to be awarded to certified minority businesses. The annual period shall be the fiscal year. The overall annual goals will be adopted by OMBE each year not later than June 15, and shall be distributed to the head of each agency and educational institution on or before June 30 of each year.

2. Upon receipt of the annual goal from OMBE, agencies shall have 15 calendar days in which to respond to OMBE with suggested revisions to the established annual target percentage.

3. Within 15 calendar days of date of agency submittal, OMBE shall establish a new annual target percentage or reconfirm the percentage established for the agency.

4. The director of OMBE shall review the overall annual goal for each agency and educational institution at the conclusion of each fiscal year, and with the concurrence of the commissioner of administration shall establish the goal for the upcoming year. In no case shall the goal exceed ten percent of the estimated annual expenditures for goods or services. Factors to be considered in establishing the new goal shall include the number of certified minority businesses; the success of the agency in attaining the goals over the past year; the population of minorities within the state as a whole; and such other relevant information as may be available.

5. The annual overall goals of each State agency for the period from September 1, 1984 through June 30, 1985, shall be ten percent minority owned business participation in the procurement of all goods and services.

B. Preparation by Agencies of Annual Plan for Attainment of Annual Goals

1. On an annual basis, each State agency shall formulate a plan for setting aside particular contracts or classes of contracts for award to minority-owned businesses, in a total dollar amount sufficient to attain its overall annual goal in the procurement of goods and services.

2. The annual plan must include Form # DA 6201 and must be filed with the Office of Minority Business Enterprises by July 30 of each year.

3. The annual minority set-aside plan prepared by each state agency shall include, but not be limited to, the following information:

a. A narrative statement, affirming that the agency or institution is committed to the use of minority business enterprises in procurement of goods and/or services to the maximum extent possible.

b. A narrative description of the method used to encourage minority business enterprise participation in the public works and procurement contracting process of the agency.

c. A summary forecast, by expenditure category, itemizing the annual fiscal year plan amounts calculated by the agency from application of its annual goal. This summary forecast shall be submitted on Form # DA 6201; this form may be ordered from the Forms Management Office within the Division of Administration.

i. The following general categories or expenditures shall be included by each agency in its calculation of the fiscal year base.

(a) All estimated expenditures in the supplies category.

(b) All estimated expenditures in the acquisitions category.

(c) That segment of estimated expenditures within the category of professional services that is governed by the provisions of L.R.S. 39:1481 et seq.

(d) Those portions of estimated expenditures within the category of operating services that are governed by Chapters 16 and 17 of Title 39 of the Revised Statutes of 1950.

ii. Examples of goods or services that may not be included in establishment of the base include salaries and related benefits; postage; interagency expenditures; insurance; procurement of data processing hardware and off-the-shelf software; contracts for fiscal intermediary services; payments for utility services; travel; printing services; interns or resident contracts; contracts for advertisements in connection with bidding requirements or other items justified by the agency and approved for exclusion by OMBE. In any event, professional services shall include only those contracts which involve independent contractor relationships.

d. A forecast of the contracts to be set-aside for award by the agency to minority-owned businesses, including estimated monetary value involved (if known), the number and types of contracts to be awarded, and the expected solicitation dates.

e. A narrative description of the participation requirements of minority business enterprises in each contract or class of contract expected to be awarded during the coming fiscal year.

f. A statement of the method by which records of minority business enterprise participation in the contracting records of the agency will be kept, and a description of the method of the agency or institution will use to achieve the overall annual goals.

g. A narrative description of the method the state agency will use to require compliance by bidders for its contracts with applicable minority business enterprise participation requirements.

4. The head of each department shall certify that the information contained in the annual plan is correct to the best of his/her knowledge at the time of submittal.

5. In the event that the agency changes its plan to fulfill its assigned minority percentages, a new minority business annual plan (Form # DA 6201) shall be submitted. This new plan shall be clearly labeled as an updated plan, and shall supersede any plan previously submitted for that agency.

VIII. DESIGNATION AND SETTING-ASIDE OF PROCUREMENT ACTIVITIES FOR MINORITY-OWNED BUSINESS PARTICIPATION

A. All governmental bodies, in preparation of the annual plan, shall identify those goods and services which are eligible for inclusion in the minority-owned business set-aside program. For agencies on FACS, the State Central Purchasing Office of the Division of Administration shall compile this information on procurement of Chapter 17 goods and services through its Contracts Management System, and shall forward this data to each state agency for inclusion in the annual plan.

B. The Office of Minority Business Enterprises, in cooperation with the business development agencies throughout the state and the Small Business Administration, shall identify through the certification process described in these Rules minority-owned businesses interested in participating in the set-aside program. Information generated from the certification process shall be compiled by OMBE in the form of a Minority-Owned Business Directory as described in Section XIII of these Rules. OMBE will forward this directory to purchasing agents in each State agency for use in determining categories or classes of contracts to be set-aside for minority business participation. In addition, such data shall be stored on the computer utilized by the State Central Purchasing Office, to allow for access and retrieval for the purposes of identifying prospective bidders and soliciting competitive bids for Chapter 17 procurement activities.

C. The State Central Purchasing Office and the individual departments shall refer to the Minority-Owned Business Directory and the computer listing of minority-owned businesses for identifying prospective vendors and areas of potential set-asides during the solicitation of procurement activity.

D. All governmental entities shall designate as set-asides sufficient purchases of goods, services, and public works, for exclusive participation by minority-owned businesses, to attain the established annual target goal. For Chapter 17 procurements by agencies on FACS, such designation may be made on a class of contracts/commodities basis to the State Central Purchasing Office at the beginning of each fiscal year, so that all purchases for that commodity/class of commodities will be set-aside for minority participation. Alternatively, agencies may elect to make such designations on a contract by contract basis throughout the year, based upon their individual progress towards attainment of the annual goal.

E. All procedures for procurement of goods and services from minority-owned businesses, including the solicitation of bids and/or requests for proposals, shall be made in accordance with all applicable laws.

F. For purchases made through State Central Purchasing, the agency for whom the purchase is being made shall clearly label the request for issuance of an Invitation to Bid as a "MINORITY BUSINESS SET-ASIDE." State Central Purchasing then shall proceed to advertise the bid as a minority set-aside on behalf of the requesting agency.

G. For procurement activities which are not handled through State Central Purchasing, but which have been designated as set-asides by the agency, the agency shall clearly indicate in all advertisements relative to solicitation of bids or proposals that the purchase - of goods or services - has been set-aside for the exclusive participation of certified minority businesses under R.S. 39:1951-1969 and 39:1981-1991. This notice shall appear in bold type as the heading of all such advertisements, and should be repeated within the main body of the advertisement. Notice of the minority set-aside nature of the contract which is contained solely in the body of the text shall not be sufficient.

H. Agencies shall evaluate all reasonable bids or proposals received from certified minority-owned businesses in response to a set-aside advertisement. Bids or proposals received shall be evaluated in accordance with the terms of the Invitation to Bid or the Request for Proposals and normal purchasing standards. Bids from vendors who have not been certified in accordance with the procedures of Section III of these rules shall not be considered in response to a set-aside contract.

I. In the event there are three or more certified minority vendors in a specific category and there is a reasonable expectation of receiving three or more bids, the bid may be designated as a set-aside for exclusive participation by certified minority-owned businesses.

1. The bid document must clearly specify that the bid is a set-aside, by containing in bold type, the following statement:

THIS PROPOSAL HAS BEEN DESIGNATED AS A MINORITY-OWNED SET-ASIDE. TO BE ELIGIBLE FOR AWARD, BIDDERS MUST BE CERTIFIED PRIOR TO AWARD IN ACCORDANCE WITH ACT 653 OF THE 1984 LEGISLATIVE SESSION.

If the bid is estimated to be in excess of $5,000, the agency must advertise in accordance with R.S. 39:1594-(C).

2. All advertisements for the bids must contain, in bold face type, the following statement in the heading:

THE COMMODITY (IES) SPECIFIED BELOW HAS (HAVE) BEEN DESIGNATED AS A MINORITY-OWNED SET-ASIDE AND ONLY THOSE VENDORS CERTIFIED PRIOR TO AWARD SHALL BE CONSIDERED.

IX. CRITERIA FOR PROCUREMENT OF GOODS AND SERVICES

A. Bid Specifications for Chapter 17 goods and services: When the award of the contract for the purchase of goods and/or services has been set-aside for minority-owned business participation, and at the time Invitations to Bid are released there are not at least three certified minority-owned businesses available to bid on the contract or class of contracts involved, the award shall be made on the basis of open, competitive bidding under the Louisiana Procurement Code.

1. The award shall be made to a certified minority-owned business when the price bid by such a business is within the lower of ten percent of $10,000 of the otherwise lowest responsive and responsible bidder whose bid meets the requirements and criteria set forth in the Invitation to Bid.

2. In the event that there is no certified minority-owned business responding whose bid is within the range specified above, the award shall go to the otherwise lowest responsive and responsible bidder whose bid meets the requirements and criteria set forth in the Invitation to Bid, without regard to minority status.

3. In all cases, the state agency or educational institution actually making the award may reject all bids if it is determined based upon reasons provided in writing that such action is in the best interests of the state. One reason, but not the only reason, for rejection of all bids would be if prices obtained exceeded more than 15 percent of what could have been obtained via open market competition.

B. Criteria for requests for proposals for consulting services under Chapter 16: When the award of a contract for consulting services has been set-aside for minority-owned business participation, and at the time the Request for Proposals are to be distributed there are not at least three certified minority-owned businesses available to submit proposals, a State agency shall evaluate each qualified proposal received.

1. Proposals submitted by certified minority-owned businesses shall be credited with such additional amounts as would amount to ten percent of the maximum number of points which could be awarded to any single proposal under the criteria set forth in the Request for Proposals.

2. The maximum number of additional points specified above shall be awarded *only* where the certified minority-owned business is the prime contractor under the contract, retaining and performing at least fifty-one percent of the dollar value of the work to be contracted.

3. For otherwise qualified proposals, where the certified minority-owned business participates in less than 51 percent of the total dollar value of the work, the number of additional points to be credited shall be calculated by multiplying the maximum additional points by the dollar value percent participation of the minority-owned business.

4. In all cases, the state agency actually making the award may reject all proposals if it is determined, based upon reasons provided in writing, that such action is clearly in the best interests of the state.

C. Construction of public works ($200,000 or more): When a contract for the construction of public works in an amount of $200,000 or more is to be awarded by the Facility Planning and Control Section of the Division of Administration on the basis of competitive bidding, the award shall be made to a certified minority-owned business when the price bid by such a business is within five percent of the otherwise lowest responsive and responsible bidder whose bid meets the requirements and criteria set forth in the Invitation to Bid.

1. The award shall be made as above *only* where the certified minority-owned business is the prime contractor under the Invitation to Bid.

2. In the event that a minority-owned business is awarded a contract by bidding within the range as specified above, the minority-owned business shall adjust its bid to correspond to the bid of the otherwise lowest responsive and responsible bidder that would have been awarded the contract. In no case shall the adjustment be by more than five percent.

3. In the event that there is no certified minority-owned business whose bid is within the range specified above, the award shall go to the otherwise lowest responsive and responsible bidder whose bid meets the requirements and criteria set forth in the Invitation to Bid, without regard to minority status.

4. Contracts awarded to minority-owned businesses pursuant to these rules shall not exceed ten percent of the total dollar amount of the contracts awarded by Facility Planning and Control.

D. Construction of public works (under $200,000): The Facility Planning and Control Section of the Division of Administration shall set aside each fiscal year, for exclusive participation by minority-owned businesses, ten percent of all contracts for the construction of public works less than $200,000 to be awarded by competitive bidding.

X. NON-CERTIFIED VENDOR PARTICIPATION

A. Agencies may include in their annual plans and may count towards attainment of their annual plan amounts any contracts for the above specified types of procurement activity with minority vendors who are not certified to participate in the minority set-aside program, but who are available to conduct business with the State, subject to submittal of a sworn affidavit which attests to the fact that the vendor does meet the definition of a minority business under the Act. For the purposes of this portion of the Rules, completion of Part I, portions of Part II, and all of Part XIV of the Certification Resume (Form # DA 3302) shall constitute the required sworn affidavit. Agencies may obtain copies of Form # DA 3302 from State Central Purchasing for this purpose as needed.

B. It is the responsibility of the individual agencies to ascertain the possibility of minority status of a vendor on any particular purchase, contract or procurement activity handled directly by the agency. At the time the procurement activity is initiated within the agency, the purchasing agent/buyer should ensure that the vendor completes the above referenced sworn affidavit. Upon receipt of the sworn affidavit from the vendor, the agency shall submit the affidavit plus any supporting documentation to OMBE for review and approval by the director.

C. As with certified minority vendors, the commissioner of administration may waive the small business criteria requirements for a minority-owned business which meets all other criteria of the Act. The executive director of OMBE shall be responsible for securing approval from the commissioner of administration as necessary.

D. Upon receipt of notification of OMBE and the commissioner's approval of minority status for the vendor, the agency may count expenditures made under the affected contract towards the established annual target goals.

E. Approval of minority status for a vendor under these provisions of the rules DOES NOT CONSTITUTE certification of the vendor to participate in any set-aside award programs operated by the State under the Minority Business Enterprise Act, nor does it enable the affected vendor to obtain the minority preferences discussed under Section X of these Rules. CERTIFICATION AS A MINORITY VENDOR FOR SET-ASIDE PURPOSES AND FOR MINORITY PREFERENCES CAN *ONLY* BE OBTAINED VIA THE PROCEDURES OF SECTION III.C OF THESE RULES.

XI. QUARTERLY REPORTING

A. All State agencies, boards and commissions of the Ex-

ecutive Branch of State government shall submit to OMBE, on a quarterly basis, a Minority Business Report (Form # DA 6202) illustrative of the minority business enterprise activity conducted by that agency during the previous quarter. The Report must contain the signatures of both the relevant department head and the preparer.

B. Quarterly reports are due in the Office of Minority Business Enterprise on the 20th of the month following the end of the quarter being reported. Agencies may order supplies of Form # DA 6202 from the Forms Management Office within the Division of Administration.

C. For the purposes of these Rules, quarterly activity shall be reflective of the following time periods:

First Quarter = July 1 - September 30
Second Quarter = October 1 - December 31
Third Quarter = January 1 - March 31
Fourth Quarter = April 1 - June 30

XII. ANNUAL REPORT TO LEGISLATURE

A. Not later than August 31 of each year, OMBE shall submit to the Governor and the Legislature a cumulative annual report, detailing the progress being made throughout the State towards minority participation in the state's procurement activities.

B. This report shall contain, for each department, a detailed listing of minority participation by category of expenditure, including a comparison of actual activity to the established annual plan amounts. This data shall be collected from the quarterly reports submitted by the agencies, and the annual report shall clearly indicate that all data is as reported by the agencies themselves.

C. The annual report shall also contain a separate listing of those agencies that have not complied with the reporting requirements of these rules, and a listing of agencies in which minority participation in procurement activity is below five percent.

D. The report shall contain a narrative description of activities undertaken by OMBE and/or other state agencies to encourage minority participation in the state's procurement activities, and an identification of barriers to full minority participation with suggested corrective measures.

E. OMBE shall also include performance indicators, reflecting the total number of certified minority vendors; the percentage increase or decrease in minority vendor certifications completed during the previous year; and such other data as might allow the Legislature and the Governor to assess the effectiveness of the minority set-aside program in achieving its intended goals.

XIII. DIRECTORY OF MINORITY BUSINESSES

A. The Office of Minority Business Enterprises will compile, from the certification applications it processes, a directory of all minority business enterprises certified for participation in the set-aside program. In addition, the directory will include those minority vendors which have been certified for participation in federally funded projects.

B. The directory shall be updated at least semi-annually, based upon the information provided by minority vendors during the intervening period. The Office of Minority Business Enterprises may issue supplements to the directory on a more frequent basis, as needed.

C. One copy of the Minority-Owned Business Directory will be made available to each state agency and educational institution at no charge, and copies will be provided to the State Library at no charge. Additional copies for State agency use and/or for use by the general public and other interested individuals will be available for purchase at a reasonable cost.

D. State agencies contracting directly with a purported minority business enterprise shall have the responsibility of insuring that the firm has been properly certified, or that a sworn affidavit as described in Section X.A of these Rules has been obtained.

E. Information concerning the status of a firm as a minority business enterprise may be obtained by contacting the Office of Minority Business Enterprises during normal working hours (8:00 a.m. through 5:00 p.m., Monday through Friday) at (504) 342-6491 [LINC 421-6491]. Callers should be prepared to fully identify the corporate name of the firm, as well as the principal officers and/or owners of the firm, when requesting telephone information from OMBE.

Joseph Shorter, III
Executive Director

RULE

Department of Health and Human Resources
Board of Nursing

In accordance with the provisions of the Administrative Procedure Act (L.R.S. 49:950 et seq.), the Louisiana State Board of Nursing, in accordance with the authority granted under L.R.S. 37:918 and pursuant to the Notice of Intent published January 20, 1985, adopted the following revision of R.N. 1.071, Rules for Licensure by Examination, on March 28, 1985.

REVISION OF R.N. 1.071
LICENSURE BY EXAMINATION

(1) The National Council Licensure Examination for Registered Nurses (NCLEX-RN) is the examination for licensure as a registered nurse.

(a) The licensing examination shall be administered by the Board of Nursing in accordance with the contract between the Board and the National Council of State Board of Nursing, Inc.

(b) This examination shall be administered twice a year on national testing dates which are determined by the National Council of State Board of Nursing, Inc. The dates shall be published at least six months in advance.

(c) Each examination shall be given under the direction of the executive director of the board or another designee of the board.

(d) Individual results from the examination shall be released to individual candidates and to the director of their nursing education program. Aggregate results are published for statistical purposes.

(e) The passing standard score shall be 1600.

(f) The NCLEX-RN shall be successfully written within a 25-month period from the first writing, or, prior to reapplication for taking the NCLEX-RN, specific study requirements shall be met, with the board's approval of the educational program. Following restudy, the maximum number of rewrites shall be one.

(2) Requirements for eligibility to take the NCLEX-RN in Louisiana include:

(a) Graduation from a school of nursing approved by the Board of Nursing in the state in which the school is located.

(b) Recommendation by the director of the school of nursing.

(c) Completion of the application form as directed by the executive director of the board.

(d) Remittance of the required fee.

(e) Freedom from restrictions by the Board of Nursing of any state.

(f) Graduates of foreign nursing schools (except Canadian schools) must produce evidence of successful completion of the Commission on Graduates of Foreign Nursing Schools Examination.

Merlyn M. Maillian, R.N.
Executive Director

RULE

Department of Health and Human Resources
Office of Family Security

The Department of Health and Human Resources, Office of Family Security, hereby adopts the following change in the Food Stamp Program as mandated by federal regulations as published in the *Federal Register,* Volume 49, Number 242, Friday, December 14, 1984, pages 48677-48681.

Rule

Effective February 1, 1985, use or disclosure of information obtained from food stamp applicant households, exclusively for the Food Stamp Program, shall be restricted to the following persons:

(i) Persons directly connected with the administration or enforcement of the provisions of the Food Stamp Act or regulations, other federal assistance programs, or federally assisted state programs which provide assistance, on a means-tested basis, to low income individuals;

(ii) Employees of the Comptroller General's Office of the United States for audit examination authorized by any other provision of law; and

(iii) Local, state or federal law enforcement officials, upon their written request, for the purpose of investigating an alleged violation of the Food Stamp Act or regulations. The written request shall include the identity of the individual requesting the information, and his authority to do so, the violation being investigated and the identity of the person on whom the information is requested.

If there is a written request by a responsible member of the household, its currently authorized representative, or a person acting on its behalf to review material and information contained in its casefile, the material and information contained in the casefile shall be made available for inspection during normal business hours. However, the state agency may withhold confidential information, such as the names of individuals who have disclosed information about the household without the household's knowledge, or the nature or status of pending criminal prosecutions.

Emergency rulemaking was invoked to implement this policy effective February 1, 1985. The Emergency rule was published in the February 20, 1985, *Louisiana Register* (Volume 11, Number 2).

Sandra L. Robinson, M.D., M.P.H.
Secretary and State Health Officer

RULE

Department of Health and Human Resources
Office of Family Security

The Department of Health and Human Resources, Office of Family Security, hereby adopts the following change in the Food Stamp Program as mandated by federal regulations as published in the *Federal Register,* Volume 49, Number 242, Friday, December 14, 1984, pages 48677-48681.

Rule

Effective April 1, 1985, moneys withheld from assistance from another program, for purposes of recouping from a household an overpayment which resulted from the household's intentional failure to comply with the other program's requirements shall be included as income in the Food Stamp Program.

The Office of Family Security (OFS) shall ensure that there is no increase in food stamp benefits to households on which a penalty resulting in a decrease in income has been imposed for intentional failure to comply with a federal, state, or local welfare program which is means-tested and distributes publicly funded benefits. The procedures for determining food stamp benefits when there is such a decrease in income are as follows:

(1) When a recipient's benefit under a federal, state, or local means-tested program (such as but not limited to SSI, AFDC, GA) is decreased due to intentional noncompliance, the OFS shall identify that portion of the decrease which is a penalty. The penalty shall be that portion of the decrease attributed to the repayment of benefits overissued as a result of the household's intentional violation.

(2) The OFS shall calculate the food stamp benefits using the benefit amount which would be issued by that program if no penalty had been deducted from the recipient's income.

Emergency rulemaking was invoked to implement this policy effective April 1, 1985. The Emergency Rule was published in the February 20, 1985 *Louisiana Register* (Volume 11, Number 2).

Sandra L. Robinson, M.D., M.P.H.
Secretary and State Health Officer

RULE

Department of Health and Human Resources
Office of Family Security

The Department of Health and Human Resources, Office of Family Security has implemented the following amendment in the State Plan for the Low Income Home Energy Assistance Program.

Rule

The Low Income Home Energy Assistance Program State Plan, page 2, second Paragraph of Item C.2. Assurances/Certifications has been amended to read as follows:

Eligible households shall receive two payments annually; one to assist with heating costs, and one to assist with cooling costs. Walk-in applicants may apply for assistance at the local parish Offices of Family Security. In order to quality for low income energy assistance a person must be a citizen or lawfully admitted alien.

This provision was adopted as an Emergency Rule on November 27, 1984, to permit the agency to issue an energy payment for heating costs to eligible households earlier than February, 1985, and, thereby be more responsive to the health and welfare of low income households.

Sandra L. Robinson, M.D., M.P.H.
Secretary and State Health Officer

RULE

Department of Health and Human Resources
Office of Family Security

The Department of Health and Human Resources, Office of Family Security is adopting the following rule in the Title XIX Medical Assistance Program.

Rule

The following policy contained in the rule effective September 1, 1984, published in the *Louisiana Register,* on September 20, 1984, Volume 10, Number 9, page 659 will be rescinded:

Effective September 1, 1984, the Medical Assistance Program hereby amends the policy regarding the number of therapeutic leave days which are reimbursable under Title XIX for residents for ICFs/H from the current limit of 25 days per recipient per calendar year to 45 days per recipient per fiscal year where permitted by the recipient's plan of care. For the fiscal year 1984-85, the 45-day limitation will begin on September 1, 1984. For subsequent fiscal years, the 45-day limitation will be recomputed

each July 1. Leave days for the following purposes shall be excluded from the annual 45-day limitation per recipient:

1. Special Olympics
2. Roadrunner sponsored events
3. Louisiana planned conferences
4. Trial discharge leaves—limited to 15 days per occurrence.

The above exclusions shall be applicable to all Title XIX ICF/H recipients effective September 1, 1984. When absences for the above purposes exceed the limit, additional days may only be reimbursed under Title XIX if included in the total number of therapeutic leave days claimed for the ICF/H recipient within the recipient's allotment of leave days.

The Medical Assistance Program hereby implements policy regarding the number of therapeutic leave days which are reimbursable under Title XIX for residents of ICFs/H to read as follows:

The number of therapeutic leave days which are reimbursable under Title XIX for residents of ICFs/H are limited to 45 days per recipient per fiscal year where permitted by the recipient's plan of care. The use of paid leave days is limited to 14 day intervals per temporary absence per recipient, when permitted by the recipient's plan of care. Leaves of absence such as visits with relatives or friends, Special Olympics, Roadrunner sponsored events, Louisiana planned conferences, trial discharges, camp, and other temporary absences, excluding elopement days and hospitalizations, must be included in the recipient's plan of care.

A leave of absence if defined as any temporary absence from a facility, limited to 45 days, and shall not exceed 14-day intervals per recipient per fiscal year, and is indicated in the recipient's plan of care. A leave of absence that is longer than 14 consecutive days, for whatever the reason, shall result in ineligibility for recipients eligible under the special income level. A recipient is eligible under the special income level if his/her income would make him/her ineligible for SSI benefits if the recipient was not institutionalized.

Leave days for the following purposes shall be excluded from the annual 45-day limitation but still limited to 14-day intervals per recipient and shall be included in the written plan of care:

1. Special Olympics
2. Roadrunner sponsored events
3. Louisiana planned conferences
4. Trial discharge leaves—limited to 14 days per occurrence.

Leave days under the 45-day limit include visits with relatives or friends, camp days and elopement days. Hospitalization for treatment of an acute condition is limited to 15 days per recipient per calendar year.

For the fiscal year 1984-85, the 45-day limitation began September 1, 1984. For subsequent fiscal years, the 45-day limitation which must not exceed 14-day increments will be recomputed each July 1.

Implementation of this rule is dependent on the approval of the Health Care Financing Administration (HCFA). Disapproval of the change by HCFA will automatically cancel the provisions of this Rule and current policy will remain in effect.

Sandra L. Robinson, M.D., M.P.H.
Secretary and State Health Officer

RULE

Department of Health and Human Resources
Office of Family Security

The Department of Health and Human Resources, Office of Family Security, hereby adopts the following rule in the Title XIX Medical Assistance Program.

RULE

Effective May 1, 1985, the disability criteria used by the Social Security Administration (SSA) in determining disability for the Supplemental Security Income (SSI) Program shall be applied in the SSI related Medicaid Programs. An SSA/SSI disability decision takes precedence over any contrary state disability determination. This means that a decision by the OFS Medical Services Review Team (MSRT) that an individual meets SSI disability criteria is invalidated by an SSI decision that the individual is not eligible for disability-related SSI benefits. Conversely, an MSRT decision that an individual does not meet SSI disability criteria is invalidated by an SSI decision that the individual is eligible for disability related SSI.

Implementation is subject to approval by the Health Care Financing Administration (HCFA) as required for all Title XIX policy changes. If disapproved by HCFA, the policy prior to this proposed amendment remains in effect.

Sandra L. Robinson, M.D., M.P.H.
Secretary and State Health Officer

RULE

Department of Health and Human Resources
Office of Management and Finance
Division of Policy, Planning and Evaluation

The Department of Health and Human Resources, Office of Management and Finance, Division of Policy, Planning and Evaluation, has adopted the following policies and guidelines effective April 20, 1985 for the review of applications to establish new home health agencies. The promulgation of such policies and guidelines is mandated by LRS 40:2009.34 as enacted by Act 347 of the 1984 Regular Session of the Louisiana Legislature.

HOME HEALTH SERVICES

Definition/Description

Home health care is that component of comprehensive health care in which health services are provided to individuals and families in their places of residence for the purpose of restoring health or maximizing the level of independence, while minimizing the effects of disability and illness, including terminal illness. Services appropriate to the needs of the individual patient and family are planned, coordinated, and made available by public or private providers organized for the delivery of home health care through the use of employed staff, contractual arrangements, or a combination of the two patterns.

Health services provided include, but are not limited to, the following:

- skilled nursing
- home health aide
- speech therapy and audiology
- physical therapy
- nutrition
- respiratory therapy
- occupational therapy
- medical social work
- medical supplies
- durable medical equipment

The home health agency providing medical services maintains a plan for home health services for each patient in conformance with the patient's plan of treatment as prescribed by his/her physician. Such agencies provide care to patients with a wide range of diagnoses and at all levels of dependence, including those completely bed-ridden and those needing to be fed. Persons or groups in need of home health services include elderly persons whose activities are limited by physical and/or mental deterioration; persons who suffer irreversible mental or physical impairments, and persons with or recuperating from a wide range of acute medical problems such as injuries, infections, diseases, and complications of pregnancy.

Advantages

Home health care provides an increased range of options for the provider, the community and the individual. Services are focused on the individual in need of care, rather than on groups, allowing for economy in the use of professional and other staff. The largest expenditure in home health care is for personal care and supportive services.

Studies have shown that patients generally respond more rapidly and fully to care in the home. At a lower cost than a hospitalization, the home health patient generally has an improved outcome in terms of early discharge from care; is less often institutionalized; and has increased contentment, improved mental functioning and increased social activity.

Alternatives to Institutionalization

A health care system should provide an array of services which provide care without institutionalization, and which match an individual's needs to the appropriate service available. Some of the possible alternatives to institutionalization are adult day care centers, subsidized housing complexes with health services, homemakers, and home health services. There is convincing evidence that such services may not only postpone but often prevent more costly institutionalization.

Care at home, through a home health agency, is the most desirable alternative and should be considered first. It should be noted, however, that home care is not a viable alternative to institutionalization for all patients. The environment at home may be inappropriate, the family may be unable to handle the responsibility, or the patient may not have a family. Some patients require the sheltered support of an institution. In the natural order of things, however, institutionalization should be an alternative to home health care.

Act 347 of the 1984 Regular Session of the Legislature

Act 347 amends and reenacts R.S. 40:2009.34 relative to home health care agencies, to require the secretary of the Department of Health and Human Resources to promulgate rules to require approval by the agency responsible for the implementation of Section 1122 of the Social Security Act as a condition for licensure. Such approval will be required for the first licensing of all home health agencies not in existence as of April 20, 1985.

Utilization

The benefits of home health care over institutional care have been documented in preceding paragraphs; however, underutilization of home health agencies can lead to lower quality of care and a proliferation of underutilized agencies is undesirable as an alternative to institutionalization. Optimal utilization of each home health agency should take into account the following factors:

1. The number of direct service staff available to provide home health services.
2. The number of home health visits/services which can be delivered by each direct service staff member per day.
3. The number of days available for the provision of such services.
4. The average length of time used for each visit.

Area of Analysis

The area of analysis for home health agencies is defined as the health planning district in which the agency or proposed agency is located.

Resource Goals

1. Applicant shall project a caseload of 30 patients or more and shall provide a list of practicing physicians with referral agreements with the proposed agency.

2. Home health services shall be available at least eight hours a day five days a week and shall be available on an emergency basis 24 hours a day seven days a week. Home health services shall be available to an individual in need within one to three days, contingent upon the patient's condition and the physician's recommendation.

3. A proposal to provide home health services shall indicate that the proposed agency will meet licensing requirements and Medicare certification criteria.

The Department of Health and Human Resources, Division of Licensing and Certification, shall deny licensure to any home health agency which does not receive a favorable recommendation from the Division of Policy, Planning and Evaluation as a result of the applicant's failing to meet the criteria stated in the Resource Goals and the General Criteria for Need Certification Reviews.

Should the party seeking licensure desire to appeal, he must respond in writing to the Division of Licensing and Certification not more than 30 days after the date of notification of non-licensure in order to request a fair hearing or he forfeits his right of appeal. The hearing shall conform to rules set forth in the Louisiana Administrative Procedure Act.

PROCEDURES

Definitions

1. *Department of Health and Human Resources (DHHR):* the designated planning agency responsible for performing the functions of Section 1122, P. L. 93-641, as amended by P. L. 96-79, and Act 347 of the 1984 regular session of the Louisiana Legislature.

2. *Division of Policy, Planning and Evaluation (DPPE), Bureau of Health Planning:* the division and bureau within the Louisiana DHHR designated to carry out the provisions of Section 1122, P. L. 93-641, as amended and Act 347 of 1984.

3. *Division of Licensing and Certification (DLC):* that division of the Department of Health and Human Resources charged with the responsibility of carrying out licensure and certification functions for the State of Louisiana.

4. *Need Certification:* a need certification will be granted to an applicant Home Health Agency if, after analysis based on specified criteria, there is a decision that a need for the services of said agency exists. Such certification is a condition of licensure for all new home health service agencies.

5. *Person:* an individual, a trust or estate, a partnership, a corporation (including associations, joint-stock companies, and insurance companies), a state, or a political subdivision or instrumentality of a state (including a municipal corporation).

6. *Home Health Agency:* a public or private organization, or subdivision thereof, whether free-standing or hospital-based, which is primarily engaged in the provision of skilled nursing services and at least one additional therapeutic health service in the place of residence used as a patient's home.

REVIEWING AGENCIES

Division of Policy, Planning and Evaluation
200 Lafayette Street, Suite 406
Baton Rouge, LA 70801

Division of Licensing and Certification
333 Laurel Street, Room 610
Baton Rouge, LA 70804

Any other agency deemed appropriate by Division of Policy, Planning and Evaluation.

Facilities Included

All agencies offering home health services, which are seeking licensure for the first time, will be required to undergo a need certification review and receive approval in order to obtain a license to operate in Louisiana. Home health agencies to be established under the auspices of a health care facility are also subject to review under Section 1122 of the Social Security Act, if federal reimbursement of a capital expenditure is desired.

Review Procedures

A. Notification

1. Applicants representing health care facilities seeking federal reimbursement of capital expenditures to establish or expand home health agencies should refer to Section 1122 Policies and Guidelines.

2. Any person, agency, or organization which proposes to establish a home health agency should submit a request in writing to DPPE for review under Act 347. If the contact person for the project changes at any time during the review procedure, it is incumbent upon the applicant to notify DPPE of such a change.

3. DPPE will promptly send to the applicant the necessary application. The application should be completed and returned to DPPE in triplicate.

4. Within 15 days of receipt of an application, DPPE shall review the application for completeness. The application is considered complete for review purposes as of the date on which all required information is received.

—If DPPE fails to notify the applicant within 15 days that additional information is needed, the application is considered complete as of the date received.

—If additional information is requested by DPPE (within 15 days), and subsequently received, the application is considered complete as of the date on which the required information is received.

—If additional information is requested by DPPE within 15 days, the applicant must provide the required information within 90 days or the application will be considered withdrawn.

—Each time additional information is received, DPPE has 15 days from the date of receipt to respond.

5. When DPPE determines that the application is complete, DPPE shall notify the applicant in writing that the period for review has begun. The review period shall not exceed 60 days from the date that the application is declared complete.

6. If additional information is submitted after the review period has begun, DPPE will again confer and deem the application information complete or incomplete. If the additional information is allowed, the timetable must be adjusted so that DPPE has 60 days for project review after the receipt of the additional or new information.

7. When the application is determined complete by the DPPE, the DPPE shall issue a press release of its receipt of the completed application through local newspapers and public information channels. Publications to be used in required press releases should include the state journal, the major urban newspaper in the affected area, the local newspaper in the impacted area of analysis of the projects as specified by the applicant.

8. DPPE shall send copies of the application to the Division of Licensing and Certification (DLC) for review and comments regarding compliance with licensing and Medicare certification standards.

9. On the third Wednesday of each month at 10 a.m., the director of Policy, Planning and Evaluation (or his designee) shall conduct a public hearing at division headquarters. The purpose of this hearing will be to receive written (in duplicate) and oral comments on applications having been declared complete by the division. Oral presentations shall be limited to an amount of time to be specified by the individual in charge of the hearing at the time of the hearing. The same amount of time will be allowed to those in favor and those opposed to the application. Comments shall be accepted on only those applications which have not previously been reviewed at public hearing.

Applications determined complete by DPPE by the last day of the month will be scheduled for the next month's public hearing. Agendas for each public hearing shall be available to interested parties by the fifth day of the month of the public hearing.

10. The DPPE, after having consulted with and taken into consideration public comments and the comments of DLC, shall provide written notification to the proponent and to DLC that:

a. the application has been determined to be in conformity with the criteria, standards and plans;

b. the application has been determined not to be in conformity with the criteria, standards and plans; or

c. the failure of the DPPE to provide notice of conformity or noncomformity at the end of the 60 day review period shall not result in an automatic finding of conformity but will allow the applicant to seek a determination by suit for mandamus.

Notification is deemed to be given upon the date of mailing of such notification by DPPE.

11. Copies of the findings of the DPPE shall also be publicized through local newspapers and public information channels and sent to interested parties and professional organizations who request such notification.

General Criteria for Need Certification Reviews

In making recommendations concerning home health agency applications reviewed under LRS 40:2009.34, DPPE shall consider, but not be limited to, the following criteria:

I. The relationship of the proposal to the State Health Plan.

II. The relationship of the proposal to the long range development plan (if any) of the person proposing such services.

III. The need of the population in the area of analysis for such services.

A. Delineation of the area of analysis for the proposal (the definition of "area of analysis" will be governed by the State Health Plan's definition).

B. The current and projected availability of similar facilities and services within the area of analysis, including but not limited to, the number and distribution of such facilities and services.

C. Accessibility of the target population to existing and proposed facilities and services. (This would include physical and financial accessibility.)

D. Current and projected measures of utilization of existing facilities and services.

E. Proportion of the population aged 65 and over in the area of analysis and projections of the growth of this population.

F. Various other projections of need.

IV. The availability or potential availability of less costly or more effective alternatives to the proposal.

V. The immediate and long term financial feasibility of the proposal.

VI. The relationship of the proposed services to the existing health care system of the area of analysis. For example, documentation of coordination and/or linkage agreements between the applicant and existing or planned health care institutions and/or providers within the area of analysis.

VII. The availability of resources (including health manpower, management personnel, and funds for capital and operating needs) for the provision of the proposed services and the availability of alternative uses of such resources for the provision of other health services.

A. Current and projected availability of physicians, nursing and therapeutic personnel, and management personnel in the area of analysis.

B. Adequacy of proposed staffing according to required standards.

VIII. The relationship, including the organizational relationship, of the health services proposed to be provided to ancillary and/or support services.

IX. In the case of a new agency, the applicant must specify the site where the agency will be located in addition to a legal property description of the site and must present evidence of own-

ership or option to acquire such site or show evidence of proposed lease agreement.

X. The applicant shall provide disclosure of those natural persons who are registered agents, directors, officers and principal shareholders of the corporation proposing to offer the services.

XI. The probable impact of the project on the cost of health services within the area of analysis.

XII. Support or opposition of the project by the local community, including health related agencies and professional organizations.

Sandra L. Robinson, M.D., M.P.H.
Secretary and State Health Officer

RULE

Department of Health and Human Resources
Office of Management and Finance
Division of Policy, Planning and Evaluation

The Department of Health and Human Resources, Office of Management and Finance, Division of Policy, Planning and Evaluation, has adopted the following changes to the policies and guidelines for Section 1122 capital expenditure reviews effective April 20, 1985. The changes amend the Rule published in Volume 9, Number 11 of the *Louisiana Register,* November 20, 1983.

The rule is required by Public Law 93-641, as amended by Public Law 96-79, and Public Law 92-603.

The following policies and guidelines are adopted from the federal regulations (42 C.F.R. 100.101 et seq.) which are relative to Section 1122 of the Social Security Act.

INTRODUCTION

Section 1122 of the Social Security Act, as amended by Public Law 92-603, requires that a person who proposes to make a capital expenditure by or on behalf of a health care facility obtain prior approval by a designated planning agency in order to be reimbursed by Medicare and Medicaid for costs related to the capital expenditure. The purpose of the provision is to assure that federal funds are not used to support unnecessary capital expenditures by health care facilities.

For purposes of Section 1122, the term "health care facility" includes hospitals, psychiatric hospitals, rehabilitation facilities, tuberculosis hospitals, home health agencies, skilled nursing facilities, kidney disease treatment centers (including free-standing hemodialysis units), intermediate care facilities, and ambulatory surgical facilities. Physicians' offices are excluded.

The state agency designated to carry out Section 1122 provisions in Louisiana is the Department of Health and Human Resources. The Division of Policy, Planning and Evaluation, of the Department of Health and Human Resources, will submit applications to other agencies for review, as deemed necessary.

Applications are to be submitted to: Division of Policy, Planning and Evaluation, 200 Lafayette Street, Suite 406, Baton Rouge, LA 70801, (504) 342-2001.

DEFINITIONS

1. *Ambulatory Surgical Facility:* a facility which is not part of a hospital, which provides surgical treatment to patients not requiring hospitalization. The term does not include offices of private physicians or dentists, whether for individual or group practice.

2. *Approval:* a finding of conformity, which is a recommendation by the state agency to DHHS that a proposal is in conformity with the criteria, standards, and plans under which the proposal was reviewed.

3. *Change in Bed Capacity:* Any increase or decrease in the licensed bed capacity of a health care facility.

4. *Complete Date:* The date on which all of the information and materials required for a complete application are received by DPPE. "Deemed complete" refers to the complete date; "declared complete" refers to date of notification of completeness.

5. *Department of Health and Human Resources* (DHHR): The designated planning agency responsible for performing the functions of Section 1122 in Louisiana.

6. *DHHS:* United States Department of Health and Human Services.

7. *Disapproval:* A finding of non-conformity, which is a recommendation by the state agency to DHHS that a proposal is not in conformity with the criteria, standards, and plans under which the proposal was reviewed, and that federal reimbursements related to the expenditure should be withheld from federal payments.

8. *Division of Policy, Planning and Evaluation (DPPE), Bureau of Health Planning:* The division and bureau within the Louisiana DHHR designated to carry out the provisions of Section 1122.

9. *Home Health Agency:* A public or private organization, or subdivision thereof, which is primarily engaged in the provision of skilled nursing services and at least one additional therapeutic health service in the place of residence used as a patient's home.

10. *Health Planning District:* For purposes of Section 1122 review, there are nine Health Planning Districts which are the defined service areas for certain proposed or existing health care facilities.

11. *Hospital:* An institution which is engaged in providing to inpatients (or to inpatients and outpatients) by or under the supervision of physicians, diagnostic and therapeutic medical services for the treatment and care of injured, disabled, sick or pregnant persons; the term does not include psychiatric hospitals, tuberculosis hospitals, or rehabilitation facilities.

12. *Notification:* As used in this document, notification is deemed by federal interpretation to be given on the date on which a decision is mailed by DPPE or a hearing officer. This includes declarations of completeness or incompleteness, findings of conformity or non-conformity, and appeal decisions.

13. *Nursing Home:* A licensed long term care facility which provides, in addition to food and shelter, professional attendant and nursing care, 24 hours a day, to the chronically ill, convalescent, disabled, and elderly, with a full range of complementary services (therapeutic, dietary, social, etc.).

14. *Person:* An individual, a trust or estate, a partnership, a corporation (including associations, joint-stock companies, and insurance companies), a state or a political subdivision or instrumentality of a state (including a municipal corporation).

15. *Psychiatric Hospital:* An institution which is primarily engaged in providing to inpatients, by or under the supervision of a physician, psychiatric services for the diagnosis and treatment of mentally ill persons.

16. *Reclassification of Beds:* Beds for 1122 purposes are classified as general acute care, rehabilitation, psychiatric, and long term care. To change from one classification to another requires a full review.

17. *Rehabilitation Facility:* An inpatient facility which is operated for the primary purpose of assisting in the rehabilitation of disabled persons through an integrated program of medical and other services provided under professional supervision.

18. *Relocation:* A proposal to change the location of a previously approved and licensed facility within the same service area.

19. *Review Period:* For full reviews, a period of at least 60 days, but not more than 90 days, from the "complete date"; for expedited reviews, a period of not more than 30 days from the "complete date."

20. *Service Area:* The area of analysis for a proposal; the State Health Plan defines "service area" for each particular type of service.

21. *Site Change:* A proposal to change the location of a previously approved unconstructed facility.

22. *State Health Plan:* A long range plan prepared by the State Health Planning and Development Agency (Division of Policy, Planning and Evaluation) and adopted by the Statewide Health Coordinating Council for the state, specifying the health goals considered appropriate by the agency, state health officials, and other experts.

23. *Substantial Change in Service:* A capital expenditure which results in the addition of a clinically related service (i.e., diagnostic, curative, or rehabilitative) not previously provided in the facility, or the termination of such a service previously provided.

24. *Timely Notice:* As required by Section 1122 regulations, timely notice is given when a complete application is received by DPPE at least 60 days prior to the incurrence of an obligation.

25. *Tuberculosis Hospital:* An institution which is primarily engaged in providing to inpatients, by or under the supervision of a physician, medical services for the diagnosis and treatment of tuberculosis.

EXPENDITURES AND CHANGES SUBJECT TO REVIEW

Capital expenditures subject to review are those which are not properly chargeable as expenses of operation and maintenance, and which

(1) exceed $600,000

OR

(2) change the bed capacity of the facility

OR

(3) substantially change the services of the facility.

Questions regarding appropriateness of review should be directed to DPPE (in writing) for an official determination.

In determining the total amount of a capital expenditure, DPPE shall consider the cost of studies, surveys, designs, plans, working drawings, specifications and other activities essential to the construction, acquisition, improvement, expansion or replacement of the plant and equipment relative to the expenditure.

Proposals for the acquisition of facilities or equipment by lease or comparable arrangement, or through donation, may be subject to review under Section 1122.

A substantial site change for a previously approved project is subject to full review. The current need (and other criteria) for the proposal will be reevaluated in terms of the new site.

A "reclassification" of 1122 approved beds with or without a capital expenditure, is subject to a full review. See "reclassification" definition.

When a corporation owning a facility or a Section 1122 approval for a proposed facility, intends to sell or transfer over 25 percent of its stock, the corporation shall notify DPPE of the stock sale or transfer. Section 1122 findings of conformity (approvals) can neither be sold nor transferred. A majority stock sale or transfer of a corporation whose only or major asset is the Section 1122 finding of conformity shall be considered a transfer of the finding of conformity, which is prohibited. Such a sale or transfer shall make the approval invalid.

A lease of an approved, unconstructed facility is prohibited for Section 1122 purposes. Upon construction of the facility, the proposed lease shall be subject to review.

A capital expenditure for which the obligation is incurred by or on behalf of a health care facility after December 31, 1972 is subject to review under these provisions.

Public Law 98-369 provides that the valuation of an asset after a change of ownership shall be the lesser of the allowable acquisition cost of such asset to the first owner of record on or after June 1, 1984, or the acquisition cost of such asset to the new owner. This will affect the establishment of an appropriate allowance for depreciation and interest in capital indebtedness and (if applicable) a return on equity capital with respect to an asset of a health care facility which has undergone a change of ownership.

ALTERNATIVES TO FULL REVIEW PROCESS

Under the following circumstances, DPPE may elect not to conduct a full review.

Election Not to Review

The DPPE at its option, may elect not to review a proposed capital expenditure which has been determined subject to review under Section 1122 of the Social Security Act. The option of election not to review, as permitted by the applicable statute and regulation, is designed to exempt from review a few proposed capital expenditures for which a review is not necessary. In order to be considered for a DPPE decision for an elect not to review, one of the following criteria must be met:

1. Renovations to meet Life Safety Codes.
2. Capital expenditures for emergency situations.

An applicant proposing such an expenditure may submit a written request to DPPE for an "elect not to review." DPPE will review the information in the request, request additional information if necessary, and determine the appropriateness of the request. If DPPE elects not to review the proposal, the applicant and DHHS will be notified. If DPPE determines that a review will be conducted, the applicant will be notified and provided with the appropriate application forms.

Expedited Review

The DPPE may elect to conduct an expedited review of a proposed capital expenditure which is subject to review under Section 1122. In order to be considered for an expedited review, the project (1) must not be a discrete part of a larger capital expenditure or phased project, (2) must be related to a Section 1122 approved facility, service, or equipment, and (3) must meet one of the following criteria:

1. Replacement or modification of equipment with an expenditure in excess of $600,000.
2. Sale of an existing facility with no change in beds or service.
3. Lease (or discontinuance of a lease) of an approved existing facility with no change in beds or services.
4. Renovation of an existing facility up to $1,000,000 which does not result in a change in existing beds or services.
5. A cost overrun on an initially approved project, not to exceed 25 percent of the originally approved cost.
6. Addition of non-medical equipment or purchase of land.
7. Addition of a new service in an existing facility which will not exceed $600,000.
8. Incorporation, reorganization, merger, consolidation, majority stock sale or transfer, or other changes in the person owning a health care facility with Section 1122 approval.
9. A site change which is not substantial (i.e. adjacent to the originally proposed site, with the same zoning, and within the same parish).
10. A reduction in approved beds or a discontinuance of an approved service.

An applicant proposing a capital expenditure which may qualify for an expedited review must submit a written request to DPPE. DPPE will review the request, determine whether a full review or an expedited review will be conducted, and send the appropriate application forms to the applicant.

PRE-APPLICATION CONFERENCE

At any time prior to submitting an application, an applicant may request a formal conference with DPPE to discuss the proposed project. A mutually acceptable meeting time will be established between the applicant and the agency.

REVIEW PROCEDURES

Applicants may request application forms in writing or by telephone from DPPE. The DPPE will promptly provide the applicant with the appropriate forms and a copy of the policies and guidelines. A pre-application appointment may be requested, to be scheduled at a time which is mutually acceptable to the applicant and the agency.

Applications must be submitted on 8½" × 11" paper in triplicate (original and two copies), except as specified in the section of this document entitled *Procedures for Requests for Adjustments to Long Term Care Resource Goals*. The contact person specified on the application will be the only person to whom DPPE sends notification in matters relative to the status of the application during the review process. If the contact person (or his address) changes at any time during the review process, the applicant shall notify DPPE in writing.

1. EXPEDITED REVIEW PROCEDURES

Within 15 days of receipt of an application for an expedited review, DPPE shall review the application for completeness. The application is deemed complete for review purposes as of the date on which all required information is received.

—If DPPE fails to notify the applicant within 15 days that additional information is required, the application is deemed complete as of the date received.

—After the application is submitted, each time the applicant submits additional information subsequent to the date the original application was submitted, but prior to the application being declared complete, DPPE shall have 15 days from the date the most recent information was submitted to declare the application complete or incomplete.

—If additional information is requested by DPPE (within 15 days), and subsequently received, the application is deemed complete as of the date on which the required information is received.

—If additional information is requested by DPPE within 15 days, the applicant must provide the required information within 90 days or the application will be deemed withdrawn.

—Each time additional information is received, DPPE has 15 days from the date of receipt to respond as to whether the additional information completes the application.

The date of completeness is the date on which the 30 day review begins. The applicant may not incur an obligation sooner than 60 days from the "complete date"; failure to provide 60 days timely notice may subject the applicant to a penalty if the project is subsequently approved. If approval is granted prior to the end of the review period, an obligation may be incurred at that point.

A longer review period will be permitted only when requested by DPPE and agreed to by the applicant. An applicant may not request an extension of the review period, but may withdraw (in writing) an application at any time prior to the notification of the decision by DPPE.

If additional information is received by DPPE after an application has been declared complete, DPPE will review the information to determine if it significantly changes the application. If the application is significantly changed, DPPE will again review the application for completeness (within 15 days), determine the appropriateness of the review and reset the review period from the date the new information was received.

When the application for an expedited review is declared complete by DPPE, press releases shall be issued, through local newspapers and public information channels, relative to the receipt of the complete application.

The DPPE shall conduct a review of the application within the specified time limits and provide written notification to the applicant of the decision that:

a. the proposal is in conformity with the criteria, standards, and plans in effect (a certificate shall accompany the notification) or

b. the proposal is not in conformity with the criteria, standards, and plans in effect (reasons for non-conformity shall be specified).

Notification shall also be submitted to DHHS, on the appropriate form, with a copy to the applicant.

Failure of DPPE to provide notification by the end of the review period shall have the effect of an approval. The date of mailing shall be considered the date of notification.

A finding of conformity or non-conformity with respect to an application shall be publicized by DPPE through press releases, and made available to interested parties and organizations. In the case of a negative finding, a fair hearing will be offered to the applicant. (Refer to Appeal Procedures).

2. FULL REVIEW PROCEDURES

Within 15 days of receipt of an application for a full review, DPPE shall review the application for completeness. The application is deemed complete for review purposes as of the date on which all required information is received.

—If DPPE fails to notify the applicant within 15 days that additional information is needed, the application is deemed complete as of the date received.

—After an application is submitted, each time the applicant submits additional information subsequent to the date the original application is submitted, but prior to the application being declared complete, DPPE shall have 15 days from the date the most recent information is submitted to declare the application complete or incomplete.

—If additional information is requested by DPPE (within 15 days), and subsequently received, the application is deemed complete as of the date which the required information is received.

—If additional information is requested by DPPE within 15 days, the applicant must provide the required information within 90 days or the application will be deemed withdrawn.

—Each time additional information is received, DPPE has 15 days from the date of receipt to respond as to whether that additional information completes the application.

The date of completeness is the date on which the review period begins. The review period will be no less than 60 days, and will not exceed 90 days, as determined by the applicant's obligation date. The applicant may not incur an obligation sooner than 60 days from the "complete date"; failure to provide 60 days timely notice may subject the applicant to a penalty if the project is subsequently approved. If approval is granted prior to the end of the review period, an obligation may be incurred at that point.

A longer review period will be permitted only when requested by DPPE and agreed to by the applicant. An applicant may not request an extension of the review period, but may withdraw (in writing) an application at any time prior to the notification of the decision by DPPE.

If additional information is received by DPPE after an application has been declared complete, DPPE will review the information to determine if it significantly changes the application (i.e. change in site, project costs, project description, financial arrangements, etc.). If the application is significantly changed, DPPE will again review the application for completeness (within 15 days) and reset the review period for a full review, from the date the new information was received.

When an application for a full review is declared complete by DPPE, press releases shall be issued, through local newspapers and public information channels, relative to receipt of the complete applications and the time and place of the public hearing.

DPPE shall conduct a public hearing on the third Wednesday of each month, at 10 a.m., to accept comments regarding ap-

plications which have been reviewed and declared complete in the previous month. The hearing shall be conducted by the director of DPPE (or his designee), who will determine at the time of the hearing the amount of time to be allowed for oral testimony. Written comments will also be accepted at public hearings. Comments will only be accepted for projects which are on the agenda for the hearing.

Applications will be scheduled for public hearing in the first month after the month in which the application was reviewed and declared complete. Agendas for each public hearing shall be made available to interested parties and organizations by the fifth day of the month of the public hearing.

When an application is declared complete, a copy is submitted to DHHR-Division of Licensing and Certification, for review and comments, and to any other agency deemed appropriate by DPPE (i.e. OMR, OMH, OHD), or required by the State Health Plan. Failure of any agency other than DPPE to comment timely on an application will not affect the finding reached by DPPE.

Letters of support or opposition received by DPPE shall become part of the project file, and shall be taken into consideration in the decision to approve or disapprove the proposal.

DPPE shall conduct a review of the application within the specified time limits and provide written notification to the applicant of the decision that:

a. the proposal is in conformity with the criteria, standards, and plans in effect (a certificate shall accompany the notification) or

b. the proposal is not in conformity with the criteria, standards, and plans in effect (reasons for non-conformity shall be specified).

Notification shall also be submitted to DHHS, on the appropriate form, with a copy to the applicant.

Failure of DPPE to provide notification to the applicant by the end of the review period shall have the effect of an approval. The date of mailing shall be considered the date of notification.

A finding of conformity or non-conformity with respect to an application shall be publicized by DPPE through press releases, and shall be made available to interested parties and organizations. In the case of a negative finding, a fair hearing will be offered to the applicant. (Refer to Appeal Procedures)

RECONSIDERATION BY DPPE

When DPPE and DHHS determine that a proposal is not in conformity and that costs related to the capital expenditure shall not be included in determining federal reimbursement, the applicant may request a reconsideration by DPPE. It shall be the responsibility of DPPE to determine if an application is a request for a reconsideration or a new application. A reconsideration may be requested in the form of a revised application, if one of the following criteria are met:

a. There has been a substantial change, since the previous DPPE finding, in existing or proposed health facilities or services, of the type proposed, in the service area.

b. There has been a substantial change, since the previous DPPE finding, in the need for health facilities or services, of the type proposed, in the service area.

c. At least three years have elapsed since the date of the previous negative finding of DPPE.

If the proposal is reconsidered by DPPE and found to be in conformity, DPPE shall notify the applicant and DHHS. In determining future payments under Title XVIII and Title XIX, expenses related to the capital expenditure will be included. However, such expenses will be included only for payments following the date of notification by DPPE to DHHS of the reconsideration.

NEGATIVE RECOMMENDATION (Restatement of Federal Regulations)

When a proposal is found by DPPE to be in non-conformity, DHHS ordinarily excludes certain expenses related to the expenditure in determining federal reimbursement to be made under Title XVIII and Title XIX. However, if DHHS determines that one of the following conditions exists, such expenses shall be included in federal reimbursement.

a. The exclusion of costs for the proposal would discourage the operation or expansion of a health care facility which has demonstrated capability of providing comprehensive health services efficiently, effectively, and economically.

b. The exclusion of costs for the proposal would otherwise be inconsistent with the effective organization and delivery of health services.

c. The exclusion of costs for the proposal would be inconsistent with the effective administration of Title XVIII and/or Title XIX.

For additional information, refer to 42 C.F.R. S100.108.

FAILURE TO PROVIDE TIMELY NOTICE

When DPPE determines that an applicant incurred an obligation for a proposed expenditure without providing 60 days timely notice, DPPE shall send written notification to the applicant, to DHHS, and to any other agency deemed appropriate, that timely notice was not provided. DHHS will make a determination as to whether a penalty should be imposed, and will notify the applicant and DPPE.

EVIDENCE OF OBLIGATION/EXPIRATION OF APPROVAL

Evidence of an obligation to make a capital expenditure must be received by DPPE within one year of the approval of the project (unless a six month extension has been granted), or the approval will expire.

The following documents are acceptable as evidence of an obligation for the specified types of proposals:

1. Construction projects

A construction contract, enforceable under Louisiana law and duly executed by the appropriate parties is required. A construction contract must obligate a party to cause the capital asset to be constructed including provisions for:

a. The commencement of construction by a date specified in the contract; (the applicant shall submit a sworn affidavit from the contractor within 10 calendar days after construction begins showing that the construction has in fact begun. If documentation is not submitted in a timely manner, DPPE will presume that the contract is not an enforceable obligation and consider the finding of conformity expired).

b. Vertical construction date (to be no later than six months after the date on which the construction contract was signed). The applicant shall submit a sworn affidavit from the contractor within 10 days after vertical construction date showing that vertical construction has in fact begun, and copies of construction progress reports substantiating vertical construction. If documentation is not submitted in a timely manner, DPPE will presume that the contract is no longer an enforceable obligation and will consider the finding of conformity expired. Vertical construction exists when all of the following conditions are met: (a) excavation of the foundation has begun; (b) the pilings for the foundation are driven; (c) the concrete for the foundation is poured; (d) the height of the structure is above ground level.

c. Substantial completion of construction by a specified date; (the applicant shall submit a sworn affidavit from the contractor indicating substantial completion of the project, within 10 calendar days of the substantial completion date shown in the contract, and copies of construction progress reports required in construction contract as of that date. If documentation is not submitted in a timely manner, DPPE will presume that the contract is not an enforceable obligation, and consider the finding of conformity expired).

d. If commencement of construction, vertical construction or substantial construction is not completed by the dates specified in the construction contract, the individual possessing the Notice of Conformity shall submit written documentation to the Division of Policy Planning and Evaluation describing the reasons for the delays in construction and the appropriate revised construction dates as required in a, b, c above. The reasons to be considered are Acts of God, labor disputes, unavailability of building materials or other documented causes beyond the control of the applicant. Such documentation shall be duly executed by the parties who executed the construction contract. After the review of such documentation, Division of Policy, Planning and Evaluation as its option may grant an extension for the submittal of the sworn affidavit.

2. Acquisition of a facility without financing

The Act of Cash Sale shall be submitted.

3. Acquisition of a facility with financing

A copy of the loan agreement or any other financial agreement shall be submitted. Loan guarantees and loan commitments do not meet requirements for evidence of obligation for such transactions.

4. Lease of a facility

A copy of the legally executed lease shall be submitted.

5. A formal internal commitment of funds by a facility (or organization) for a force account expenditure

Documentation shall be submitted from a financial institution verifying that a specific separate account (with funds equivalent to the amount of the proposed expenditure) has been designated for the project. In the case of a state-owned facility, an appropriation is considered a force account expenditure.

6. Donated property

Documentation including the date on which the gift is completed, in accordance with applicable Louisiana law, shall be submitted.

As provided in the regulations, the one year approval period may be extended for up to six months at the discretion of DPPE, upon request of the applicant, if one of the following conditions exist:

1. Delays have occurred which are beyond the control of the applicant, such as delays caused by review bodies, or delays in obtaining financing due to substantially greater interest rates than those projected in the application.

2. Refusal of an extension would be detrimental to the best interests of the community involved.

PROCEDURES FOR REQUESTS FOR ADJUSTMENT TO LONG TERM CARE RESOURCE GOALS

The applicant shall complete the appropriate section of the application form to identify the reason for which an adjustment is requested. The applicant shall be responsible for submitting evidence and documentation to substantiate the request for an adjustment to the resource goals. Ten copies of the application shall be submitted to Division of Policy, Planning and Evaluation.

As soon as the application is declared complete, DPPE shall forward copies of the applications to the following committee members for review:

1) Assistant Secretary - Office of Family Security (DHHR)

2) Administrator - Licensing and Certification (DHHR)

3) Chairman - Statewide Health Coordinating Council (or the consumer designee of the chairman, when the chairman is a provider; this member shall always be a consumer)

4) Director - Bureau of Civil Rights (DHHR)

5) Ombudsman - Coordinator - Governor's Office of Elderly Affairs

The transmittal will include the date of the public hearing and the decision due date. DPPE shall also forward a summary of the public hearing comments to the committee members.

Each committee member will forward individual comments and recommendations to DPPE. Comments shall be received by DPPE at least five working days prior to the decision due date.

CRITERIA FOR SECTION 1122 REVIEW

In reviewing projects under Section 1122, DPPE shall use the following criteria:

1. The relationship of the proposal to the State Health Plan.

2. The relationship of the proposal to the long range development plan (if any) of the facility.

3. The need of the service area population for the proposed facility/services.

NOTE: In reviewing the need for beds, all proposed beds shall be considered available as of one projected opening date for the project. DPPE does not recognize the concept of "phasing in" beds, whereby an applicant provides two or more opening dates.

a. Delineation of the service area for the proposal (the definition of "service area" will be governed by the State Health Plan's definition for each particular type of service or facility).

b. Current and projected availability of beds/services/facilities. (Data sources to be used include information compiled by the Bureau of Research and Information, DPPE, as published, and the middle population projections recognized by the State Planning Office as official projections.)

1) Number and distribution of similar facilities, services, or beds within the service area;

2) Bed to population ratio in the service area;

3) Comparison of bed to population ratio in the service area to that of other service areas in the state.

c. Physical accessibility of the target population to existing and proposed facilities/services.

d. Current and projected measures of utilization of existing facilities/services (i.e. occupancy or other appropriate utilization data).

e. Demographics of the service area for the proposal.

4. The availability or potential availability of less costly or more effective alternatives to the proposal.

5. The immediate and long-term financial feasibility of the proposal, and the availability of funds. (DPPE will consider but not be limited to the following: (1) for proposed expenditures exceeding $6,000,000, documentation of net assets exceeding 25 percent of the proposed expenditure; and (2) a commitment for financing from a reputable lending institution, including effective date and duration of commitment, amount and terms of loan, approximate beginning and ending dates of loan, and amount and type of collateral pledged; or (3) documentation of available internal funds equivalent to the proposed expenditure, (4) documentation of the financial feasibility through the use of tax-exempt bonds.)

6. The relationship of the proposed facility/services to other health care providers in the service area; documentation of agreements between the applicant and other health care providers; the extent of cooperation with other facilities in the service area.

7. The relationship (including the organizational relationship) of the proposed services to ancillary or support services provided in the existing facility.

8. The availability of health manpower and management personnel for the provision of the proposed services, including:

a. Availability and projected availability of physicians, nurses, and other personnel within the service area.

b. The adequacy of proposed staffing according to required standards.

9. Special needs and circumstances:

a. health maintenance organizations;

b. biomedical and behavioral research projects for which local conditions offer special advantages, and which are designed to meet a national need;

c. facilities which provide a substantial amount of services or resources to non-residents of the service area or of adjacent service areas (i.e. medical and health professional schools, specialty centers, multi-disciplinary clinics).

10. The cost and methods of the proposed construction, including energy provision.

11. The probable impact of the project on the cost of health services within the facility and the service area.

12. Evidence of ownership or legally executed option to acquire the site.

13. Support or opposition to the proposal by the local community, including health related agencies and professional organizations.

APPEAL PROCEDURES

Note: The Appeal Procedures Section which was adopted on November 20, 1983 has been substituted for that portion of the proposed rule published in the *Louisiana Register* on February 20, 1985. The following section remains in effect.

In the case of a negative finding, a fair hearing will be offered to the applicant to determine whether the proposed expenditure is consistent with the standards, criteria and plans specified in the applicable statutes. The correctness, completeness, adequacy or appropriateness of the standards, criteria, and plans against which proposed expenditure was measured are not subject to appeal, although the question of DPPE's adherence to its procedures as outlined in the Federal Regulations and State Health Plan and these policies may be considered. The applicant may introduce evidence and argument on the issue of whether exclusion of expenses related to the proposed expenditure would discourage the operation or expansion of the facility or organization or would otherwise be inconsistent with the effective organization or delivery of health services or the effective administration of Titles XVIII and XIX. Whether a proposed capital expenditure is subject to review under Section 1122 will not be a question in the fair hearing. The applicant is encouraged to retain counsel for this process.

1. Should the applicant wish to appeal, he must respond in writing to DPPE not more than 30 days after the date of notification of disapproval requesting a fair hearing on his case or he forfeits his right of appeal. The hearing must begin within 30 days after receipt of the request, or later at the option of the applicant. If the applicant requests an extension beyond the required 30 days, the hearing must be finalized not later than six months after the date of the original request for a fair hearing or the decision of DPPE will be considered upheld.

2. DPPE will notify the hearing officer responsible for conducting the appeal, who will select a hearing date and notify all parties.

3. DPPE will issue a news release concerning the hearing.

4. The applicant is required to notify the hearing officer in writing at least 10 days in advance of the hearing of those witnesses whom he wishes to be subpoenaed.

5. As soon as possible, but not later than 45 days after the conclusion of the hearing, the hearing officer will notify the applicant, DPPE and DHHS of the appeal decision. Notification in accordance with federal interpretation is deemed to be given upon the date of mailing of such notification by the hearing officer. The exclusive options available to the hearing officer are to uphold the DPPE findings, to overturn the DPPE findings, to revise the DPPE findings, or to order further action by DPPE.

6. DPPE will issue a press release concerning the appeal decision.

7. Copies of the decision shall be sent to interested parties and professional organizations requesting such notification.

ADDENDUM TO POLICIES AND GUIDELINES

I. Notice to Certain Persons Granted Notifications of Conformity (Approvals) Prior to April 20, 1985

If an applicant was granted a Section 1122 finding of conformity prior to April 20, 1985 and has incurred an obligation for the construction project but has not begun vertical construction within two years of the finding of conformity, such applicant will be notified that vertical construction must begin within six months of the date of notification, or the approval will be considered expired. Proof of vertical construction shall be established by submission of a sworn affidavit from the contractor within 10 days after vertical construction has begun, and copies of construction progress reports indicating that vertical construction has begun.

II. Notice to Persons Who Have Pending Applications

If the due date for an application is on or after the effective date of these policies and guidelines, and of the revised State Health Plan, the application will be reviewed in accordance with the new criteria and the procedures as outlined below.

After the moratorium is lifted, two types of projects will be reviewed and decisions rendered in the manner described below. Such projects are:

1. Applications declared complete prior to or during the moratorium for which an extension was requested and granted.

2. Applications declared complete prior to or during the moratorium and which the sole reason for the finding of non-conformity was the moratorium.

The following policies and procedures are applicable and are based on the assumption that the moratorium will be lifted April 20, 1985:

1. Applicants' whose applications were declared complete prior to or during the moratorium for which an extension was requested and granted shall have ten days from the date the moratorium is lifted to update the existing application. It is the applicant's responsibility to review the existing application and to submit appropriate information to update such application in accordance with the revised State Health Plan and Division of Policy, Planning and Evaluation, Section 1122 Policies and Guidelines published as a final rule in the April 20, 1985 issue of the *Louisiana Register.*

2. Applicants whose applications were declared complete prior to or during the moratorium which the sole reason for the finding of nonconformity was the moratorium shall have 10 days from the date the moratorium is lifted to submit new applications. It is the applicant's responsibility to submit the application in accordance with the revised State Health Plan and Division of Policy, Planning and Evaluation, Section 1122 Policies and Guidelines published as a final rule in the April 20, 1985 issue of the *Louisiana Register.* All such applications declared complete on the tenth day of this period will be scheduled for public hearing on May 15, 1985.

3. It should be noted that any information received subsequent to this 10-day period provided for updating or submitting new applications will not be included in the staff analysis or considered when the decision is rendered. Decisions for applications described in 1 and 2 above will be rendered in the order the application was declared complete.

Site changes, changes in legal entity, additions or changes in services or beds and other substantial changes shall not be considered by the Division of Policy, Planning and Evaluation as an update to existing applications but shall be considered as the submittal of a new application which shall not have a decision rendered within the order described above. The decision due dates for such applications shall be prescribed when such applications are deemed complete.

Applicants who fail to submit complete applications during this 10 days shall not have a decision rendered within the order of

preference as described above. The decision due date for such applications shall be prescribed when such applications are deemed complete.

4. Any application declared complete as of March 18 for which an extension has not been granted will be reviewed and a decision rendered based on the current State Health Plan, with the moratorium still being a factor, as soon as administratively feasible after its public hearing.

5. Furthermore, it is recognized that there may be other applications pending when the moratorium is lifted. Such applications may need updating as a result of the revisions to the State Health Plan and Section 1122 Policies and Guidelines. Applicants who have submitted such applications shall have 10 days from the date the moratorium is lifted to update the existing applications. It is the applicant's responsibility to review the existing application and to submit appropriate information to update such application in accordance with the revised State Health Plan and Division of Policy, Planning and Evaluation, Section 1122 Policies and Guidelines published as a final rule in the April 20, 1985 issue of the *Louisiana Register.*

It should be noted that any information received subsequent to this 10-day period provided for updating existing application shall not be included in the staff analysis or considered when the decision is rendered. Decisions for these applications shall be rendered in accordance with the decision due dates as prescribed when such applications were deemed complete during the moratorium.

Sandra L. Robinson, M.D., M.P.H.
Secretary and State Health Officer

RULE

Department of Health & Human Resources
Office of Management and Finance
Division of Policy, Planning and Evaluation

The Department of Health and Human Resources, Office of Management and Finance, Division of Policy Planning and Evaluation, has adopted the following rule implementing the 1985-1990 State Health Plan, effective April 20, 1985. The plan is mandated by Public Law 93-641 as amended by Public Law 96-79. The revised plan was also required by Executive Order 84-13.
A summary of the rule is as follows:
Redefintion of Service Areas

The proposed rule creates nine health facility service areas, to be called Health Planning Districts, by grouping parishes around the population centers they would logically use for medical care and by grouping Tangipahoa, Washington, and St. Tammany parishes into a new district, Health Planning District 9.

RESOURCE GOALS FOR SPECIFIC HEALTH FACILITIES

I. GENERAL HOSPITAL BEDS

A. Service Area-Health Planning District

B. Bed Supply-4.0/1000 population (H.P.D. 1-6 & 9); 4.26/1000 population (H.P.D. 7-8)

C. Population Projection-Projected opening date not to exceed five years subsequent to date application declared complete.

D. Occupancy 0-49 beds - 50 percent; 50-99 beds - 60 percent; 100-199 beds - 70 percent; 200+ - 75 percent.

Adjustment: An existing general acute care hospital bed which has operated at a level of 10 percent or more above its optimal occupancy, as determined by bed size category, for a period of 12 consecutive months, will be allowed to add a number of beds that would bring its occupancy down to the optimal occupancy level for its bed size. The occupancy rate for the 12 consecutive months shall be determined by the Division of Policy, Planning and Evaluation, from the four most recent quarters of data due to have been reported by the hospital to the Division of Licensing and Certification.

I. LONG TERM CARE

A. Service Area-Parish in which proposal is located. Exceptions are set forth in the State Health Plan.

B. Bed Supply-No change.

C. Population Projection-Anticipated opening date (year) of proposal (not to exceed two years from date application declared complete.)

D. Occupancy-No change.

E. Adjustment to Resource Goals

1. Inaccessibility to minority groups.
2. Inaccessibility in overbedded areas.
3. Inaccessibility due to poor quality of care.

F. Applications for Proposals in Overbedded Areas-Committee to make recommendations and comments with regard to applications in parishes which are arithmetically determined to be in excess of 80 beds per 1,000 population 65+.

III. PSYCHIATRIC HOSPITAL BEDS

A. Service Area-Health Planning District

B. Bed Supply-All levels of care 104.0/100,000 population.

C. Population Projection-Projected opening date not to exceed five years subsequent to date application declared complete.

D. Occupancy 0-49 beds-50 percent; 50-99 beds-60 percent; 100-199 beds-70 percent; 200+-75 percent.

Adjustment: An existing psychiatric hospital bed which has operated at a level of 10 percent or more above its optimal occupancy, as determined by bed size category, for a period of 12 consecutive months, will be allowed to add a number of beds that would bring its occupancy down to the optimal occupancy level for its bed size. The occupancy rate for the 12 consecutive months shall be determined by the Division of Policy, Planning and Evaluation, from the four most recent quarters of data due to have been reported by the hospital to the Division of Licensing and Certification.

IV. CHEMICAL DEPENDENCY UNIT BEDS

A. Service Area-Health Planning District

B. Bed Supply-A benchmark of population 20.2/100,000 population

C. Occupancy-85 percent

V. AMBULATORY SURGICAL FACILITIES

A. Service Area-Health Planning District

B. Utilization-5.0 surgeries/workday (valid documentation specified).

C. Number of Workdays-250/year

D. Location-No more than 10 road miles from acute-care general hospital.

E. Size of Facility-No fewer than two operating rooms.

VI. COMPREHENSIVE PHYSICAL REHABILITATION FACILITIES

A. Service Area-Health Planning District

B. Bed Supply-Less than .325 beds/1000 population.

C. Quality of Care - 1. A proposal to provide rehabilitation services (as described in the SHP) shall indicate that the facility will meet licensing requirements and Medicare certification criteria as a hospital.

2. The proposal shall indicate that the hospital or rehabilitation unit of a general hospital will meet the criteria for exclusion from the Medicare prospective payment system (Criteria will be specified in SHP).

D. Occupancy 0-49 beds-50 percent; 50-99 beds-60 percent; 100-199 beds-70 percent; 200+-75 percent.

Adjustment: An existing rehabilitation hospital or rehabilitation unit of a general hospital which has operated at a level of 10 percent or more above its optimal occupancy, as determined by bed size category, for a period of 12 consecutive months, will be allowed to add a number of beds that would bring its occupancy down to the optimal occupancy level for its bed size. The occupancy rate for the 12 consecutive months shall be determined by the Division of Policy, Planning and Evaluation, from the four most recent quarters of data due to have been reported by the hospital to the Division of Licensing and Certification.

VII. HOME HEALTH AGENCIES

A. Service Area-Health Planning District

B. Utilization-Projected caseload of 30 patients or over and a list of practicing physicians with referral agreements with the proposed agency.

C. Quality of Care-Proposal shall indicate that proposed agency will meet licensing requirements and Medicare certification criteria.

Sandra L. Robinson, M.D., M.P.H.
Secretary and State Health Officer

RULE

Department of Health and Human Resources
Office of Preventive and Public Health Services

In accordance with the laws of the State of Louisiana, R.S. 40:4, and the provisions of Chapter 13 of the State Sanitary Code, the State Health Officer has determined that the following amendments to the listing entitled "Individual Mechanical Wastewater Treatment Plants - Acceptable Units" are adopted:

1) Amend the listing to include two additional units, specified as follows:

Manufacturer	Plant Designation	Rate Capacity
Delta Process Equipment, Inc.	HU - 1.0	1000gpd
P.O. Box 1011	HU - 1.5	1500gpd
Denham Springs, LA 70726		

The specified changes are in compliance with the requirements set forth in Section 6.6 of Appendix A of Chapter 13 of the State Sanitary Code.

Sandra L. Robinson, M.D., M.P.H.
Secretary and State Health Officer

RULE

Department of Public Safety and Corrections
Corrections Services

CORRESPONDENCE AND PACKAGES
ADULT INMATES

1. Purpose: The purpose of this regulation is to establish the secretary's policy regarding the receipt of mail and packages at all adult institutions of the Department of Public Safety and Corrections.

2. Responsibility: It is the responsibility of all wardens and mail room supervisors of adult institutions to implement this regulation and convey its contents to the inmate population, affected employees and affected members of the public.

3. Legal Authority: L.R.S. 15:833(A); Guajardo v. Estelle, 580 F.2d 748 (5th Cir. 1978).

4. General: It is the secretary's policy that the least restrictions possible be placed on an inmate's ability to send and receive letters and publications through the mail. To this end, reading or censorship of incoming and outgoing letters and publications shall be limited only to those items which are detrimental to security, order, or rehabilitation, or if the reading or censorship is necessary to prevent commission of a crime. The receipt of packages through the mail is not to be encouraged and any packages received must conform to the list of approved package items at the institution and are to be inspected and handled strictly in accordance with this regulation.

Before receiving letters, packages, or publications, the inmate must sign the Inmate Mail Delivery Agreement and should be informed that if he does not sign this form, all of his incoming mail will be returned to the post office marked "Refused."

5. Procedures for Letters

A. Receipt and Sending of Letters Through the Mail

1. There shall be no restriction on the number of correspondence, number of letters written or received, the length or language of the letter. Inmates shall be allowed to send to and receive letters through the mail from all persons, including inmates in other institutions.

2. On the written request of the person receiving correspondence from an inmate, or of a minor's parent or legal guardian, the institution may refuse to mail correspondence addressed to the person so requesting, in which case the letter must be returned to the inmate with a written explanation.

3. All mail, incoming and outgoing, shall be handled without delay and on a daily basis.

4. No record shall be kept of whom an inmate corresponds with except when the warden determines that it is necessary to prevent the commission of a crime or necessary to the maintaining of security, order or rehabilitation of the institution and has so authorized the keeping of such record in writing.

B. Inspection of Letters

1. Outgoing Letters - All outgoing letters are to be posted unsealed and inspected for contraband. EXCEPTION: Outgoing "legal" or "official" mail (see following list) may be posted sealed and may not be opened except with a search warrant:

a) identifiable courts;

b) identifiable prosecuting attorneys;

c) identifiable probation and parole officers;

d) identifiable state and federal departments, agencies, and their officials;

e) identifiable attorneys;

f) identifiable members of the press; and

g) secretary, deputy secretary and/or assistant secretary of the Department of Public Safety and Corrections.

For purposes of this exception, "identifiable" means that the official or legal capacity of the addressee is listed on the envelope: John Doe, Assistant District Attorney; John Doe, City Desk Editor; John Doe, Judge; John Doe, Secretary of Labor, etc. Additionally, the name, official or legal capacity and address of the addressee must be verifiable. If the name, address and official or legal capacity cannot be verified, designated prison personnel shall state in writing the means employed to verify the information and the fact that it could not be determined to be correct and true. Upon the determination that this mail is not identifiable official or legal mail, said mail shall be treated as all other outgoing mail, and shall be opened and inspected for contraband.

2. Incoming Letters—Incoming letters may be opened and inspected for contraband.

EXCEPTION:

a) Letters from identifiable Department of Public Safety and Corrections' officials are not to be opened; and

b) Letters from the following may be opened and inspected for contraband only in the presence of the inmate-addressee:

1) identifiable courts;
2) identifiable probation and parole officers;
3) identifiable prosecuting attorneys;
4) identifiable attorneys;
5) identifiable members of the press; and
6) identifiable state and federal agencies and officials.

For purposes of these exceptions, see Section B(1) of this regulation for the definition of "identifiable." Upon the determination that this mail is not identifiable official or legal mail, said mail shall be treated as all other incoming mail, and shall be opened and inspected for contraband.

C. Reading of Letters: When the warden determines that it is necessary to prevent the commission of a crime or necessary to the maintaining of security, order, or rehabilitation of the institution, he may require the reading of an inmate's mail. In such cases a written record shall be kept in the appropriate office and shall include:

1. inmate's name and number;
2. a description of the mail to be read (e.g. outgoing only, from a particular person, etc.);
3. the specific reasons it is necessary to read the mail, including all relevant information and the names of the persons supplying information;
4. length of time the mail is to be read;
5. signature of the warden, superintendent, or his representative; and
6. notes on the nature of the mail read, but no copies of the mail unless necessary for later use as evidence. At the termination of the reading period, a copy of all but number 3 above shall be placed in the inmate's file, with the entire original remaining in the appropriate office.

D. Stationery, Envelopes and Stamps: These items shall be available for purchase by the inmates and shall be provided to indigent inmates in sufficient quantity for all legal and official correspondence, and for at least two letters of personal correspondence each week. Legal and official correspondence is correspondence addressed to courts, prosecuting attorneys, probation and parole officers, Department of Public Safety and Corrections' officials, identifiable attorneys and identifiable members of the press. The institution is not required to provide postage for registered, certified or special delivery mail.

6. Procedure for Packages: If permitted by the regulations of the individual institution, any person may send approved items through the mail to inmates.

A. Approved Items: Subject to the approval of the secretary, or deputy secretary, each warden or superintendent will prepare and make available to the inmate population a list of items which may be received in packages.

B. Inspection of Packages: All packages shall be inspected for the purpose of discovering contraband. Such inspection shall be done in a manner that will not damage the contents of the package. A list shall be kept of the items an inmate has received through the mails. Employees will note brand names of each item received whenever possible (appliances, jewelry, clothing, etc.). Employees will not label jewelry as being gold, silver, ruby, diamond, etc. They will note gold colored, red stone, etc.

1. Discovery of Contraband in Packages: Upon discovery of unapproved items or contraband in an incoming package, the following procedures are to be implemented:

a) notice to the inmate of the contents of the package, the date of its receipt, the reason the package is unacceptable, and that the inmate has 21 days to provide return postage for the package, or that it will be otherwise disposed of at the end of the 21 days;

b) if the inmate is without funds to supply postage, and this is verified through inmate accounts, the institution shall pay return postage; and

c) when postage is provided, the package shall be returned to sender, with a note specifying the reason for its return.

C. Disposal of Items Received in Packages and Letters:

1. Procedures: Unapproved items for which no postage has been provided shall be disposed of in the following manner with documentation of the method of disposal:

a) all perishable items shall be destroyed;

b) clothing may be used to provide clothing for inmates discharging from custody;

c) when the item received is any of the following, the letter or package, its contents, and any other pertinent information shall be turned over to the district attorney in the parish wherein the institution is located, with notification to the local FBI agent:

1) any controlled dangerous substance;
2) any weapon or explosive;
3) any escape plans; and
4) any plans for criminal activity or acts which constitute criminal behavior.

d) if the inmate refuses to provide postage for items having a value of $25 or more, except clothing, the institution shall pay for the return postage and the amount shall be charged against the inmate's account;

e) all items returned shall be insured and the amount of the insurance coverage shall be charged against the inmate's account;

f) all other items shall be donated to a charitable organization, upon approval by the secretary;

g) no unapproved item shall be given to or purchased by an employee of the Department of Public Safety and Corrections;

h) upon approval of the warden of the institution, unapproved items, other than those listed in C(1) (c) (1-4) above, may be disposed of by turning the item over to an approved visitor of the inmate having received the unapproved items and having the visitor sign a receipt for the item.

7) Procedures for Publications: Books, magazines, newspapers, pamphlets, leaflets, brochures, and other printed matter are considered publications. Such printed matter may be read and inspected to discover contraband and unacceptable depictions and literature. Unless otherwise provided by the rules of the institution, all printed matter must be received directly from the publisher.

A. Refusal of Publications: The secretary's general policy is to permit any printed matter which has passed through the U.S. mail to be received by inmates. The presumption is that printed matter received through the mails is acceptable. Therefore, printed material shall only be refused if it constitutes an immediate threat to the security and order of the institution, or would be detrimental to the rehabilitation interests of the institution. In making this determination, the printed matter must fall into one of the following described categories:

1) the printed matter concerns escape plans;
2) the printed matter concerns plans to violate prison rules, or disrupt work routine;
3) the printed matter concerns the introduction, purchase or instructs in the manufacturing of controlled dangerous substances or alcohol;
4) the printed matter concerns the introduction of, or instruction in the use of or manufacture of weapons, or instructs in the use of martial arts;
5) the printed matter contains material which reasonably construed, is written for the purpose of communicating information which could promote the breakdown of order through inmate disruption such as strikes or riots or fomentation of inmate unrest;
6) the printed material contains a graphic presentation of sexual behavior that is in violation of the law (e.g. rape, homosexual acts or crime against nature, of any degree);
7) the printed material has been judicially declared obscene; or

8) the printed material contains depictions of actual or simulated sexual intercourse, which is so explicit that it would stimulate inmates to further criminal behavior in the form of homosexual acts.

B. Procedures When Publication is Refused: If a publication is to be refused, the following procedure shall be followed:

1. specific, factual determination by the warden or his designee that the publication is detrimental to security, order, or rehabilitation and in what particular way it is detrimental under the standards in Section 7A(1-8) above;

2. notice to the inmate of the decision to return a publication and the reasons therefore, and informing the inmate that he has seven days to appeal to the warden;

3. if the appeal to the warden is denied, notice to the inmate of this decision within 10 days of receipt of the appeal, and informing him that he has five days to appeal to the secretary, Public Safety and Corrections, who shall review the publication;

4. notice to the inmate of the secretary's decision within 10 days of the receipt of the appeal, with written reasons if the appeal is denied;

5. return of the publication to the sender if the appeal is denied, or forwarding of the publication to the inmate if the appeal is granted; and

6. all refused publications will be held a minimum of 45 days to allow for exhaustion of appeals.

8. Restrictions on Mail

A. All inmates, regardless of status, shall be allowed to send and receive approved letters. Inmates in isolation may be denied the right to send mail, except to the courts, legal counsel, or the Secretary during the period of isolation;

B. Inmates in administrative lockdown and isolation may be restricted from receiving packages or publications during their stay in administrative lockdown or isolation, but all other mail shall be delivered to them; and

C. Approved packages or publications shall be held for the inmate and forwarded to him on his release from administrative lockdown or isolation.

9. Collection and Distribution of Mail

A. The collection and distribution of mail is never to be delegated to an inmate. Mail will be given directly to the receiving inmate by an employee.

B. When mail is received for an inmate who has been transferred to another institution or who is on parole, it is the duty of the institution where the mail is received to determine the location of the inmate-addressee and forward the mail to him. If the inmate has been finally discharged from custody, the mail shall be returned to the sender.

10. Cancellation: This regulation supercedes department Regulation No. 30-19 dated 10 December 1984.

Inmate Mail Delivery Agreement

I, _____, agree to accept the delivery of mail sent to me through this institution, _____.

_____ _____
Witness Inmate

_____ _____
Witness Date

NOTE: This form is required by federal postal regulations so that inmate mail can be delivered to the institution. (Federal Register, Volume 43, Number 66, Page 14308, April, 1978.)

C. Paul Phelps
Secretary

RULE

Department of Transportation and Development Board of Registration for Professional Engineers and Land Surveyors

In accordance with the Notice of Intent published in the January, 1985 *Louisiana Register,* the Board of Registration for Professional Engineers and Land Surveyors hereby adopts the following additions, deletions, and revisions to Louisiana Administrative Code 19-3:

3.3.4 [Deleted]

3.5.5 [Clarified]

GRADUATION PLUS ENGINEERING REGISTRATION
(37:693 B (4) (f))

The applicant shall be a person granted a license as a professional engineer on the basis of earning a Bachelor of Science degree from an engineering curriculum approved by the board requiring no less than six semester credit hours of land surveying courses approved by the board, who is of good character and reputation, and who has satisfied the requirements of RS 37:694 and:

(1) who has a specific record of two years or more of experience in land surveying work of a character satisfactory to the board, or

(2) who has passed the oral and written examination required by the board.

4.3.4 [Clarified]

It is the intent of these rules to guarantee that all professional work performed by a registered firm is performed under the supervision of or by a registered professional. To this end, the board may also require a registered firm to identify those registered professionals who will be providing professional services. In addition, the board may require the individual registrant identified by the registered firm as the responsible professional to acknowledge this responsibility, and assume the responsibility of informing the board in the event of a change of employment. No registered professional shall be designated as a supervising professional by more than one firm, except in the case of secondary occupation or employment by a firm which is totally owned by one or more of the professionals whose registration is used to qualify the firm for certification. A failure to comply with any of the provisions of this regulation could subject both the registered firm and the registered professional to disciplinary action by the board.

5.1.1 [Clarified and Replaces 5.1.2]

Applicants who have attended college shall have certified transcripts of all college work forwarded by the registrar of each college directly to the office of the board.

5.1.2 [New]

For college credits and/or college degrees earned outside of the United States, applicants may be required to submit a course-by-course analysis and equivalency in terms of United States courses and credits from an organization approved by the board. The applicant will be responsible for fees connected with this service.

5.1.5 [Clarified]

An application for registration may be considered incomplete by the board and an applicant may be denied admission to written examinations, until the information submitted in the application has been investigated and replies have been received from references. The board may require additional information and documents it considers necessary for the proper evaluation of an application.

5.1.6 [New]

An application requiring an examination for certification or registration must be timely filed with the board office (See LAC 19-3:9, Examinations).

5.1.7 [New]

Applicant files which have been microfilmed may be destroyed at the discretion of the executive secretary.

8.5 [Last sentence of this rule deleted as it refers to LAC 19-3:3.3.4 above.]

9.1.2 [New]

The applicant must present appropriate documents to establish his/her eligibility and identification prior to being admitted to any examination.

9.1.3 [New]

Timely filing of an application with the board does not assure that an applicant will be permitted to take an examination, or be scheduled for examination on a particular date. To be considered for a specific examination date, the application should be received at the board office no later than the following number of days prior to a particular examination scheduled by the board: Fundamentals of Engineering, 90 days; Fundamentals of Land Surveying, 180 days; Principles and Practice of Engineering, 90 days; Principles and Practice of Land Surveying and the Laws, Procedures and Practice of Land Surveying, 180 days.

9.1.4 [Replaces 9.1.2]

9.1.5 [Replaces 9.1.3]

9.1.6 [Replaces 9.1.4]

9.3 [Clarified]

APPROVAL TO TAKE THE EXAMINATION IN THE PRINCIPLES AND PRACTICE OF ENGINEERING

An applicant who meets the other requirements for registration as a Professional Engineer may be permitted to take the examination in the Principles and Practice of Engineering in the branch in which he/she seeks registration. Application to take this examination may be made prior to the anticipated date of eligibility for registration, but no sooner than one year prior to the date. Earlier applications will be returned.

9.7 [Clarified]

Examination Results

9.7.1 The board will specify the minimum passing score for all examinations for certification or registration of applicants.

9.7.2 Applicants will be notified by letter that they have passed or failed an examination. This information or other information pertaining to the status of an application will not be released by telephone to anyone, including the applicant.

11. [Clarified]

LAC 19-3:11 EXPIRATION AND RENEWALS (37:697)

Certificates of registration and certification of individuals or corporations shall expire on the date specified on the renewal certificate and/or as shown on the board's records and shall become invalid after that date unless renewed.

By order of the Louisiana State Board of Registration for Professional Engineers and Land Surveyors.

Paul L. Landry, P.E.
Executive Secretary

RULE

Department of the Treasury
Board of Trustees of the
State Employees Group Benefits Program

Pursuant to the authority granted by R.S. 42:871(c) and R.S. 42:874 the Louisiana Department of the Treasury, Board of Trustees of the State Employees Group Benefits Program has amended its rules to provide that the board cannot consider for payment any claims submitted after the deadline for filing claims. This rule, to be effective July 1, 1985, states:

ARTICLE 4 UNIFORM PROVISIONS

II. DEADLINE FOR FILING CLAIMS

1. First paragraph, first line, insert the word "form" after the word claim.

2. Delete the second paragraph of Article 4, Section II. This Section will now state:

II. DEADLINE FOR FILING CLAIMS

A properly submitted claim form for benefits as a result of any disease, illness, accident or injury must be received by the State Employees Group Benefits Program by 4:30 p.m., close of business, on June 30 next following the end of the calendar year in which the medical expenses were incurred. When June 30 is a nonworkday, the deadline is automatically extended to 4:30 p.m. of the next regular workday. Each expense shall constitute a separate claim.

James D. McElveen
Executive Director

RULE

Department of the Treasury
Board of Trustees of the
State Employees Group Benefits Program

Pursuant to the authority granted by R.S. 42:871(c) and R.S. 42:874 the Louisiana Department of the Treasury, Board of Trustees of the State Employees Group Benefits Program has amended its rules to provide benefits for the treatment of drug abuse. These rules, to be effective July 1, 1985, state:

ARTICLE 3 MEDICAL BENEFITS

I. COMPREHENSIVE MEDICAL BENEFITS

C. Benefits for Eligible Medical Expenses (except nonconfined alcoholism and/or substance abuse)

When disease, illness, accident or injury (other than nonconfined alcoholism and/or substance abuse) requires the covered person to incur any of the eligible expenses defined herein, and such service or treatment is performed or prescribed by a physician while this coverage is in force with respect to such covered person, and after the deductible amounts as defined herein have been satisfied, the program will pay:

1. Eighty percent of the first $5,000 of eligible expenses;

2. One hundred percent of eligible expenses in excess of $5,000 for the remainder of the calendar year subject to the maximum amount as specified in the Schedule of Benefits.

D. Non-confining Alcoholism and/or Substance Abuse

If a covered person is treated for alcoholism and/or substance abuse while not confined in a hospital as a resident patient, benefits shall be limited to 50 percent of the reasonable eligible expenses incurred, including prescription drugs, provided, however, the maximum reimbursement for psychotherapy by a physician shall not exceed the maximum amount as specified in the Schedule of Benefits.

Treatment of a covered person for alcoholism and/or substance abuse while not confined in a hospital as a resident patient must be rendered by a physician.

Payment for non-confining treatment of alcoholism and/or substance abuse shall be limited to one visit per day and not more than 50 visits per calendar year, and shall be further limited to a maximum payment of $20 per visit.

I. Treatment of Alcoholism and/or Substance Abuse as a Resident Patient

When alcoholism and/or substance abuse requires the covered person to incur expenses while confined as a resident patient at a facility which meets the definition of hospital as defined in Article 1, Section I (R) of this contract, the program will pay benefits in accordance with the Schedule of Benefits.

When alcoholism and/or substance abuse requires the covered person to be confined as a resident patient in a facility licensed by the Joint Commission on the Accreditation of Hospitals but which does not otherwise meet the definition of hospital as defined in Article 1, Section I (R), the program will pay 50 percent of all eligible expenses, including those of a physician, following the satisfaction by the covered person of a separate $200 deductible. This deductible will be in addition to any deductible amounts required under any other provision of this contract. Eligible expenses shall not include:

1. Room and board charges in excess of the maximum amount as specified under Comprehensive Medical Benefits in the Schedule of Benefits;
2. Transportation;
3. Education and rehabilitation material and supplies;
4. Services rendered by chemical dependency counselors or any other persons who do not otherwise meet the definition of a physician as contained in Article 1, Section I (T).

Benefits Provided Under This Section I, Treatment of Alcoholism and/or Substance Abuse as a Resident Patient, Shall Be in Lieu of any Other Benefits of this Contract and Shall Be Further Limited to Two Confinements in a Covered Person's Lifetime.

ARTICLE 3 MEDICAL BENEFITS
VIII. EXCEPTIONS AND EXCLUSIONS FOR ALL MEDICAL BENEFITS

Delete Subsection E which excludes benefits for services rendered for the treatment of drug abuse and reletter all subsequent exclusions.

James D. McElveen
Executive Director

RULE

Department of the Treasury
Board of Trustees of the
State Employees Group Benefits Program

Pursuant to the authority granted by R.S. 42:871(c) and R.S. 42:874 the Louisiana Department of the Treasury, Board of Trustees of the State Employees Group Benefits Program has amended its rules to provide that medically necessary private duty nursing services would be considered an eligible expense only when those services are provided in a hospital. This rule, to be effective July 1, 1985, states:

ARTICLE 3 MEDICAL BENEFITS
I. COMPREHENSIVE MEDICAL BENEFITS
G. Eligible Expenses

14. Services of a registered nurse (R.N.) and of a licensed practical nurse (L.P.N.) duly licensed under the laws of the state where the services were rendered, when medically necessary and prescribed by a licensed medical doctor, provided the nurse(s) are not related to the covered person by blood, marriage, or adoption, and provided the services are rendered in a hospital, as defined in Article 1, Section I (R). Services of an R.N. or L.P.N. which are being provided to a covered person on July 1, 1985, in a non-hospital treatment setting shall constitute an eligible expense until no longer certified as medically necessary by the attending medical doctor.

James D. McElveen
Executive Director

RULE

Department of the Treasury
Board of Trustees of the
State Employees Group Benefits Program

Pursuant to the authority granted by R.S. 42:871(c) and R.S. 42:874 the Louisiana Department of the Treasury, Board of Trustees of the State Employees Group Benefits Program has amended its rules to provide that the program would pay increased benefits when specified procedures are performed on an out-patient, ambulatory basis. This rule, to be effective July 1, 1985, states:

ARTICLE 1 GENERAL PROVISIONS
I. DEFINITIONS

HH. The term *Ambulatory Surgical Facility* as used herein shall mean a facility or institution licensed by the state in which it operates, which is equipped to do multi-specialty surgeries under general anesthesia and which allows patients to leave the facility the same day surgery is performed. Such facility shall not be a substitute setting for care routinely and/or normally provided in a physician's office or clinic setting.

ARTICLE 3 MEDICAL BENEFITS
V. OUT-PATIENT SURGERY

A. When a non-occupational disease, illness, accident or injury requires a covered person to undergo any medically necessary surgical procedure listed in this Section, and the procedure is performed at an ambulatory surgical facility, the program will provide benefits for eligible expenses equal to 100 percent of customary and reasonable charges.

B. Covered Procedures:

1. Arthroscopy of the Knee (looking into the knee joint with a special instrument*)
2. Cataract Extraction (lens removal*)
3. Cystourethroscopy with Operative Procedure (examination of the posterior urethra and bladder with surgery such as a biopsy or removal of a tumor*)
4. Non-obstetrical Dilation and Curettage (a special procedure that expands the uterus so that the surface of the uterine wall can be scoped*)
5. Hammertoe Operation (surgical correction of a deformity of the big toe*)
6. Hydrocele Repair (removal of fluid in the scrotum*)
7. Laparoscopy (looking into the interior of the abdomen with a special instrument*)
8. Peritoneoscopy (looking into the mucous membrane of the abdomen with a special instrument*)
9. Septoplasty (surgical reconstruction of the nasal septum*)
10. Submucous Resection, Turbinate Process and Nasal Septum (surgical removal of a portion of the nasal bone or nasal septum*)
11. Transmastoid Antrotomy (simple removal of the mastoid sinus*)
12. Tympanoplasty without Mastoidectomy (operation on the ear drum for reconstructive purposes without removal of the mastoid sinus*)
13. Ulnar Motor Nerve Repair (repair of a nerve in the arm*)
14. Varicose Vein Ligation - Saphenous Vein (tying off a varicose vein in the leg to restrict circulation*)
15. Variocele Repair (removal of varicose veins in the scrotum*)

(*For descriptive purposes only)

C. In the event that the procedures listed above are performed on an in-patient basis, benefits under Article 3, Section I will apply.

James D. McElveen
Executive Director

RULE

Department of the Treasury
Board of Trustees of the
State Employees Group Benefits Program

Pursuant to the authority granted by R.S. 42:871(c) and R.S. 42:874 the Board of Trustees of the State Employees Group Benefits Program has amended its rules to provide that the Program under certain circumstances may provide increased benefits for second surgical opinions. This rule, to be effective July 1, 1985, states:

ARTICLE 3 MEDICAL BENEFITS

II. SECOND SURGICAL OPINION

A. When an eligible surgical procedure is recommended to a covered person, the program will provide benefits without regard to co-insurance provisions (100 percent) for the purpose of consulting a physician, other than the physician who has recommended the surgical procedure, as to the medical necessity and prudence of such procedure. Charges for diagnostic x-ray and laboratory tests necessary for the second physician to render an opinion will be considered eligible expenses, and no deductible amount shall apply to benefits payable under this Section. Additionally, if the second surgical opinion is sought and the need for surgery confirmed, professional fees for the surgery itself (provided the surgery is undergone) shall be payable at 100 percent of the customary and reasonable charges. To be considered an eligible expense under this benefit, the following criteria must be met:

1. The second physician must not be associated with or in practice with the physician or surgeon recommending surgery.

2. The second physician must be a specialist in the field required by the surgery.

3. The second physician must physically examine the covered person within 60 days following the initial recommendation for surgery.

4. A second surgical opinion form must be properly completed and submitted to the program. Should the surgery be performed, the second opinion must pre-date the surgery and the second surgical opinion form must be submitted together with the claim form for the surgical charges.

B. The decision as to whether or not the recommended surgery is to be performed and who will perform the surgery shall be the decision of the covered person.

C. Exclusions - No payment shall be made under this provision for expenses incurred for the following:

1. Emergency surgical procedures necessitated by an accidental bodily injury.

2. Second opinions regarding procedures not covered under the terms of this contract.

James D. McElveen
Executive Director

RULE

Department of Urban and Community Affairs
Office of Planning and Technical Assistance

Community Development Block Grant (LCDBG) Program
FY 1985 Final Statement

I. PROGRAM OBJECTIVES.

The LCDBG Program, as its primary objective, provides grants to units of general local government in nonentitlement areas for the development of viable communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income. Consistent with this objective, not less than 51 percent of the aggregate of fund expenditures shall be for activities that benefit low and moderate income persons. Each activity assisted in whole or in part with LCDBG funds must meet one or more of the following objectives:

(1) Strengthen community economic development through the creation of jobs, stimulation of private investment, and community revitalization, principally for low and moderate income persons,

(2) benefit low and moderate income persons,

(3) eliminate or aid in the prevention of slums or blight, or

(4) provide for other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs.

II. GENERAL.

A. APPLICATION PROCESS

This statement sets forth the policies and procedures for the distribution of LCDBG funds. Since the demand for funds far exceeds the amount of funds available, grants will be awarded to eligible applicants for eligible activities based on a competitive selection process. Applications will be reviewed to determine if they meet the requirements of this statement. The applications that best meet the requirements will be funded to the extent that funds are available. The state shall establish deadlines for submitting applications and notify all eligible applicants through a direct mailing.

B. ELIGIBLE APPLICANTS

Eligible applicants are units of general local government, that is, municipalities and parishes, excluding the following areas: Alexandria, Baton Rouge, Bossier City, Terrebonne Parish Consolidated Government, Jefferson Parish (including Grand Isle, Gretna, Harahan, Jean Lafitte, and Westwego), Kenner, Lafayette, Lake Charles, Monroe, New Orleans, Shreveport, Slidell, and Thibodaux. Each eligible applicant may only submit an application on its own behalf. Applications submitted on behalf of one eligible applicant by another eligible applicant will not be considered for funding. However, two or more eligible applicants may submit a joint application for activities of mutual need of each eligible applicant. Joint projects shall necessitate a meeting with state staff prior to submitting the application to determine who would be the appropriate applicant. Although the application involving joint projects can be submitted by only one applicant, all local governing bodies involved must be eligible according to the threshold criteria.

C. ELIGIBLE ACTIVITIES

An activity may be assisted in whole or part with LCDBG funds if the activity meets the provisions of Title 24 of the U. S. Code of Federal Regulations, Subpart C, as provided in Appendix 4. For application purposes, eligible activities are grouped into the program areas of either housing, public facilities, economic development or demonstrated need.

D. TYPES OF GRANTS

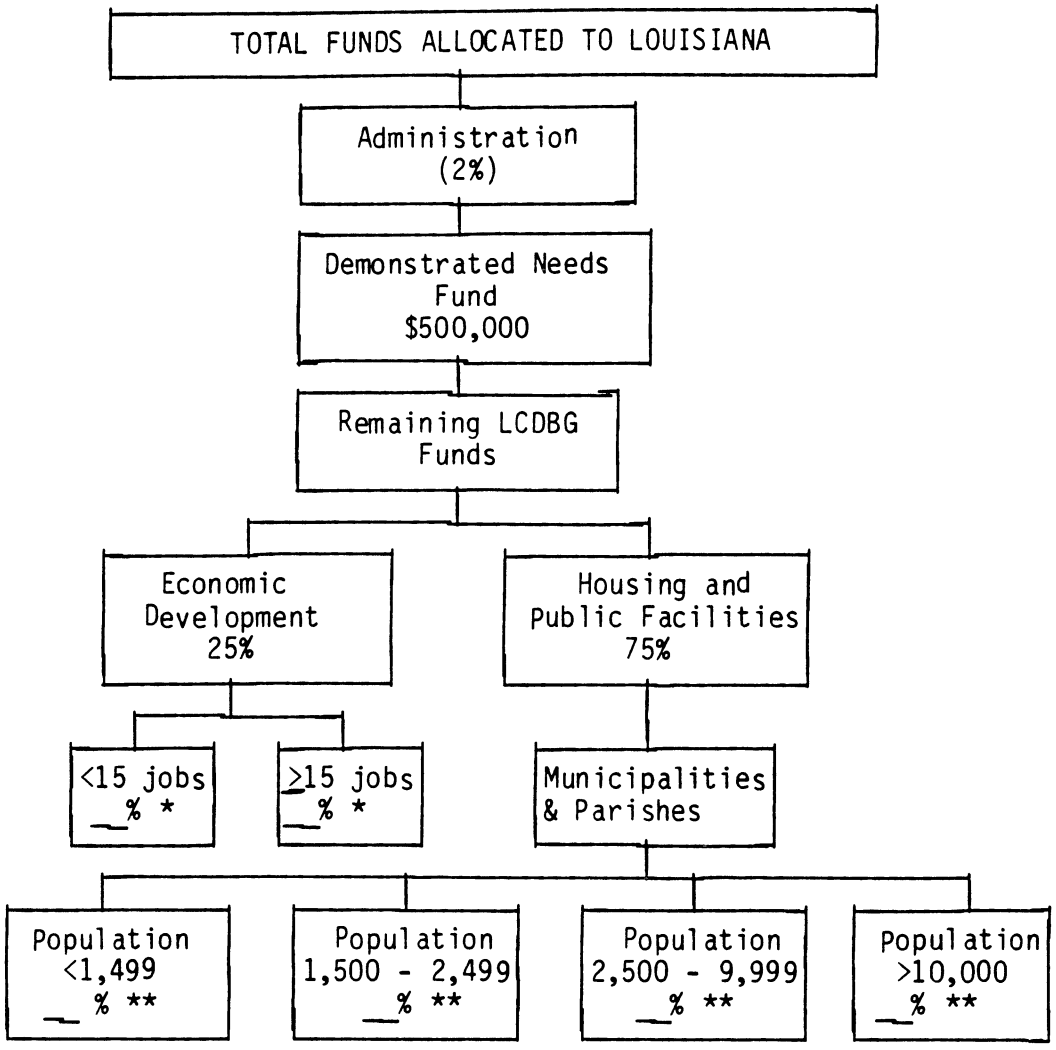
Recognizing that needs of communities vary widely, the LCDBG Program has two types of grant applications—single purpose and multi purpose. Either a single purpose or multi-purpose grant application may be submitted for the program areas of housing or public facilities and demonstrated need. Only a single purpose grant application may be submitted for an economic development grant. The requirements for a Demonstrated Needs Grant are set forth in Section III.E. When funds are requested for two or more needs in one or more of the two areas (housing or public facilities), excluding auxillary activities, it is classified as a multi-purpose application. Final determination of the classification by type will be made by the state.

E. DISTRIBUTION OF FUNDS

Figure 1 shows how the funds available will be allocated

between the various population catagories. Of the total CDBG funds allocated to the State of Louisiana, up to two percent will be used to administer the program. In addition, $500,000 will be set aside for the Demonstrated Needs Fund. There will be three separate announcements for the acceptance of proposals for the Demonstrated Needs Fund. Since creation and retention of permanent jobs is so critical to the economy of the State of Louisiana, 25 percent of the remaining LCDBG funds will be allocated specifically for economic development type grants. This fund will be divided into two categories based on number of jobs created or retained (see figure 1). Only economic development applications will compete for these funds. There will be three separate economic development funding cycles. The 25 percent set-aside will be allocated among three cycles. If at the end of each Economic Development funding cycle(s), monies remain in the Economic Development Fund, those monies will be transferred into the subsequent Economic Development cycle. If at the end of the third cycle, monies remain, those monies may be transferred into the grant category deemed feasible or used in subsequent year funding cycles for economic development applications. Public facilities and housing applications will be funded with the remaining LCDBG funds. There will be one funding cycle for housing and public facilities applications. This fund will be divided into four categories based on the 1980 Census population of eligible applicants (see figure 1). The exact distribution of these funds will be based upon the number of applications received and amount of funds requested in each population category. Half of the money will be allocated based on the number of applications received in each category and half based on the amount of funds requested in each category. The same procedure will be followed in further allocating monies for single purpose housing, single purpose public facilities, and multi-purpose applications in each population category. If any monies remain in this fund after funding, those monies may be transferred into the grant category deemed feasible. Any monies awarded by the state that are later recaptured by or returned to the state will be reallocated in accordance with DUCA's policy, then in effect, for the redistribution of such funds.

FIGURE 1



*The percentage distribution between the two categories will be based upon the number of applications received and amount requested in each category. Half of the funds will be distributed based on percentage of applications received in each category and half on the basis of amount of funds requested in each category.

**The percentage distribution among the population categories will be based upon the number of applications received and amount requested in each category. Half of the funds will be distributed based on percentage of applications received in each category and half on the basis of amount of funds requested in each category. The same procedure will be followed in further allocating monies for single purpose housing, single purpose public facilities, and multi-purpose applications in each population category.

F. SIZE OF GRANTS

(1) Ceilings. The state has established funding ceilings of $750,000 for single purpose and $750,000 for multi-purpose grants with the exception of grants awarded under the Demonstrated Needs Fund.

(2) Individual grant amounts. Grants for specific grantees will be provided in amounts commensurate with the applicant's program. In determining appropriate grant amounts for each applicant, the state shall consider an applicant's need, proposed activities, and ability to carry out the proposed program.

G. RESTRICTIONS ON APPLYING FOR GRANTS

(1) Each eligible applicant may apply for one housing or public facilities grant in each fiscal year. Any eligible applicant may apply for an economic development grant or Demonstrated Needs Fund grant within any or all cycle(s), even those previously funded under the housing and public facilities components.

(2) Capacity and performance: threshold considerations for grant approval. No grant will be made to an applicant that lacks the capacity to undertake the proposed program. In addition, applicants which have participated in the Block Grant Program previously must have performed adequately. Performance and capacity determinations are made as of the deadline date the application is due to the state and may be the basis for rejecting an application from further consideration. In determining whether an applicant has performed adequately, the state will examine the applicant's performance in the following areas:

(a) Units of general local government will not be eligible to receive funding if past CDBG programs awarded by HUD have not been closed out as of the deadline for receipt of LCDBG applications by the state.

(b) Units of general local government will not be eligible to receive funding if past LCDBG programs awarded by the state have not met the following performance thresholds as of the deadline for submittal of the application.

(i) FY 1982 LCDBG recipients must have closed-out as of the deadline for receipt of LCDBG application by the state,

(ii) FY 1983 LCDBG and Jobs Bill recipients (excluding recipients of economic development grants) must have expended no less than 95 percent of the total grant amount,

(iii) FY 1984 LCDBG recipients (excluding recipients of economic development grants) must have expended no less than 75 percent of the total grant amount.

Performance thresholds (b) (ii) and (b) (iii) do not apply to economic development grants.

(c) Audit and monitoring findings made by the state or HUD must be cleared prior to the deadline for receipt of applications by the state.

The state is not responsible for notifying applicants as to their performance status regarding these prohibitions prior to submittal of the application. The state may provide waivers to these prohibitions, if a waiver is requested in writing prior to the application deadline. There shall be no waiver granted if funds are due to HUD or the state unless a satisfactory arrangement for repayment of the debt has been made and payments are current.

H. DEFINITIONS

For the purpose of the LCDBG program or as used in the regulations, the term:

(a) *Unit of general local government* means any municipal or parish government of the State of Louisiana.

(b) *Low-moderate Income Persons* are defined as those having income within the Section 8 Income limits as determined by the secretary of Housing and Urban Development. (See Appendices 1 and 2.)

(c) *Auxiliary Activity* means a minor activity which directly supports a major activity in one program area (housing, public facilities). Note: The state will make the final determination of the validity (soundness) of such actions in line with the program intent and funding levels.

(d) *Slums and Blight* is defined as in Act 590 of the 1970 Parish Redevelopment Act, Section Q-8. (See Appendix 3.)

III. METHOD OF SELECTING GRANTEES

The state has established selection and rating systems which identify the criteria used in selecting grantees. Applications are required for all types of grants.

A. DATA

(1) Low-Moderate Income. The low-moderate income limits are defined as being within the Section 8 income limits as established by HUD. In order to determine the benefit to low-moderate income persons for a public facility project, the applicant must utilize either censes data (if available) or conduct a local survey.

(a) Census Data. If 1980 census data on income is available by enumeration district, then the state will calculate the applicant's low and moderate income percentages. If the applicant chooses to utilize census data, the low-moderate income levels as shown in Appendix 2 will be followed. However, the applicant must request this data prior to submittal of the application.

(b) Local Survey. If the applicant chooses to conduct a local survey, the survey sheet in the FY 1985 application package must be used. Local surveys *must* be conducted for all housing activities.

The annual income limits for low-moderate income persons (regardless of family size) when conducting a survey are shown in Appendix 1. If the applicant chooses to determine low-moderate income based on family size, the following sliding scale *must* be used:

# OF PERSONS IN HOUSEHOLD	% OF PARISH/MSA* MEDIAN INCOME
1	50
2	64
3	72
4	80
5	85
6	90
7	95
8 or more	100

*MSA = Metropolitan Statistical Area

When a local survey, rather than census data, is used to determine the low/mod benefit, a random sample which is representative of the population of the entire target area must be taken. There are several methodologies available to insure that the sample is random and representative. The methodology used must be stated in your application; if you have questions on the methodology to use, you may contact Department of Urban and Community Affairs (DUCA) for assistance. The appropriate sample size varies with the total number of households in the target area, and is determined by using the following formula:

$n = .9604 \times N \div (.0025N + .9579)$

Where n = required number of households in sample

Where N = total number of occupied households in target area

If the situation arises where it must be determined as to whether or not the sample taken was indeed random, then standard statistical tests at the appropriate geographical level will be used.

Surveys conducted for housing activities must involve 100 percent of the total houses within the target area. Local surveys which have been conducted within 12 months prior to the application submittal date will be accepted, provided the survey conforms to current program requirements.

B. PROGRAM DESIGN

The program as a whole must principally benefit low and moderate income persons and directly address and have an im-

pact on the applicant's needs. Each activity contained within such programs must meet one of the following two national objectives:

(1) Principal benefit to low-moderate income persons. At least 51 percent of the total persons benefiting must be individuals who are low to moderate income as defined in the final statement.

(2) Elimination or prevention of slums and blight. In order to claim that the proposed activity meets this objective, the following must be met. An area must be delineated by the grantee which:

(a) Meets the definition of slums and blight as defined in Act 570 of the 1970 Parish Redevelopment Act, Section Q-8 (See Appendix 3); and

(b) contains a substantial number of deteriorating or dilapidated buildings or improvements throughout the area delineated.

The grantee must describe in the application the area boundaries and the conditions of the area at the time of its designation and how the proposed activity will eliminate the conditions which qualify the area as slum/blight.

C. SINGLE PURPOSE GRANTS

(1) Definition. A single purpose grant provides funds for one need (water or sewer or housing, etc.,) consisting of an activity which may be supported by auxiliary activities. Single purpose economic development grants are for one project, consisting of one or more activities.

(2) Specific Program Categories. All single purpose applications will be rated according to the following program categories:

1) Economic Development (200 points);
2) Public Facilities (200 points); and
3) Housing (200 points).

Each applicant for housing and public facilities will be reviewed against all other applicants in the same population category which are requesting funds in the same specific program category. The criteria for reviewing each of the specific programs are as follows:

a) ECONOMIC DEVELOPMENT

The following two requirements must be met by economic development applicants.

(1) A firm financial commitment from the private sector will be required upon submission of the application. The private funds/public funds ratio must not be less than 1:1. Private funds must be in the form of a developer's cash or loan proceeds. Revenues from the sale of bonds may also be counted if the developer is liable under the term of the bond issue. Previously expended funds will not be counted as private funds for the purpose of this program. Nor will private funds include any grants from federal, state or other governmental programs or any recaptured funds.

(2) If cost per job created or retained exceeds $15,000 for the LCDBG monies, applications will not be considered for funding.

i. PROGRAM IMPACT (Maximum Possible Points-85)

Number of Jobs (Maximum Possible Points-30)

The maximum points will be awarded to the project creating or retaining the most full-time permanent jobs. All other projects will receive points based on how they score relative to that highest score.

Private/Public Ratio (Maximum Possible Points-25)

The maximum points will be awarded for the largest private investment per LCDBG request.

Percent of Funds Recaptured (Maximum Possible Points-30)

The maximum points will be awarded for the largest percentage of LCDBG funds recaptured including principal and interest.

ii. COST EFFECTIVENESS (Maximum Possible Points-30)

This will be calculated by dividing total LCDBG funds used by the number of permanent jobs created or retained to determine LCDBG cost per permanent job created or retained. Raw scores will be arrayed and the top ranked application will receive 30 points. All other applicants will be scored relative to the lowest cost per job created.

iii. BENEFIT TO LOW-MODERATE INCOME PERSONS (Maximum Possible Points-25)

This will be calculated by determining the percentage of permanent jobs created or retained that will benefit low-moderate income persons. Raw scores will be arrayed and the top ranked applicant will receive 25 points. All other applicants will receive points based on how they score relative to the highest score.

iv. GENERAL ECONOMIC CONDITIONS (Maximum Possible Points-20)

These points will be awarded based on the existing economic condition of the parish. Consideration will be given to long term employment growth, current unemployment, retail sales growth, and personal income growth.

v. PROJECT FEASIBILITY (Maximum Possible Points-40)

The criteria for determining a project's feasibility are: For new businesses, the developer's resume and project's market feasibility will be analyzed. For existing businesses, the prior performances of the business will be evaluated. In addition, both new and existing businesses will be evaluated on the basis of financial risk, developer commitment, economic multiplier effect, and economic base diversification.

Although an application may be determined to be eligible, the state will make the final determination as to whether or not the proposed activity is viable in keeping with the objectives of the program.

For projects involving the recapture of economic development loans, the state may recapture up to 50 percent of the payback. The specific details of such recapture will be outlined in each contract between the state and local governing body receiving an award. Recaptured economic development funds will be reallocated in accordance with DUCA's policy, then in effect, for the redistribution of such funds.

If an applicant submits an application for economic development in one funding cycle and that application is not selected for funding, the applicant may resubmit the application for consideration during a subsequent funding cycle. All resubmitted applications must be full and complete for each cycle applied under.

b) PUBLIC FACILITIES

i. PROGRAM IMPACT (Maximum Possible Points-100)

Maximum Impact 100 points

The proposed project would completely remedy existing conditions that are in violation of a state or federal standard promulgated to protect public health and safety. The existing conditions and the standard being violated must be documented by cognizant state or federal agencies.

Moderate Impact 65 points

The proposed project would result in substantial progress being made towards improving existing conditions that are in violation of a state or federal standard promulgated to protect public health and safety. The existing conditions and the standard being violated must be documented by cognizant state or federal agencies.

Minimal Impact 30 points

The project would improve a community's infrastructure but would not address a violation of a state or federal standard promulgated to protect public health and safety or is inadequately documented.

Documentation from the cognizant agencies must have been prepared within 12 months prior to application submittal date.

ii. BENEFIT TO LOW-MODERATE INCOME PERSONS (Maximum Possible Points-50)

Percent of Low-Moderate Income (Maximum Possible Points-25)

This will be calculated by dividing the number of low-moderate income persons benefitting (as defined by the state) by the total persons benefitting. The resulting raw scores will be arrayed and the top ranked applicant will receive 25 points. All other applicants will receive points based on how they score relative to that highest score as follows:

$$\text{Low-Mod Number Benefit Points} = \frac{\text{applicant's score} \times 25}{\text{highest score}}$$

Improvements which involve different numbers and percentage of beneficiaries, must be identified separately.

Number of Low-Moderate Income (Maximum Possible Points-25)

The maximum points will be awarded to the project benefitting the most low-moderate income persons. All other projects will receive points based on how they score relative to that highest score.

iii. PROJECT SEVERITY (Maximum Possible Points-50)

This will be rated based upon the severity of the problem and extent of the effect upon the health and welfare of the community.

c) HOUSING

i. PROGRAM IMPACT (Maximum Possible Points-75)

This will be determined by dividing the total number of owner occupied units to be rehabilitated and replaced plus vacant units to be demolished in the target area by the total number of owner occupied substandard units in need of rehab and replacement plus vacant units in need of demolition in the target area.

$$\frac{\text{\# of units to be rehabed and replaced} + \text{\# of vacant units to be demolished}}{\text{\# of owner-occupied substandard units including those in need of demolition and replacement + vacant units in need of demolition inside the target area.}} = \text{Raw Score}$$

The raw scores will be ranked and the top ranked applicant(s) will receive 75 points. All other applicants will receive points based on how they score relative to that high score:

$$\text{Program Impact Points} = \frac{\text{applicant's score}}{\text{highest score}} \times 75$$

No activity will be funded that meets less than 75 percent of the identified need.

This system also permits up to 15 percent of the rehabs to be located outside of the target area(s) without affecting impact scores in any way. Rental units which will be occupied by low-moderate income persons are eligible as long as the number of rental units to be treated does not exceed 10 percent of the total owner occupied units proposed for rehab. Ten percent of the total rehab monies may also be used for emergency repairs. All units, except the emergency repairs, must be brought up to at least the Section 8 Existing Housing Quality Standards and HUD's Cost Effective Energy Conservation Standards. The number of housing target areas cannot exceed three.

ii. NEEDS ASSESSMENT (Maximum Possible Points-25)

This will be determined by comparing the total number of units to be treated in the target area to the overall needs of the target area.

$$\frac{\text{\# of units to be treated in target area}}{\text{\# of units in need of treatment in target area}} = \text{Raw Score}$$

ii. NEEDS ASSESSMENT (Maximum Possible Points-25)

This will be determined by comparing the total number of units to be treated in the target area to the overall needs of the target area.

$$\frac{\text{\# of units to be treated in target area}}{\text{\# of units in need of treatment in target area}} = \text{Raw Score}$$

The raw scores will be arrayed and the top ranked applicant(s) will receive 25 points.

$$\text{Needs Assessment points} = \frac{\text{applicant's score}}{\text{highest score}} \times 25$$

iii. BENEFIT TO LOW-MODERATE INCOME (Maximum Possible Points-50)

This will be calculated by dividing the number of low-moderate income households by the total number of households benefitting.

These raw scores will be arrayed and the top ranked applicant(s) will receive 50 points. All other applicants will receive points based on how they score relative to that highest score:

$$\text{Low-Mod Benefit points} = \frac{\text{applicant's score}}{\text{highest score}} \times 50$$

Households directly benefitting are only those scheduled for rehab and/or replacement.

iv. PROJECT FEASIBILITY (Maximum Possible Points-50)

This will be rated based upon the project's cost effectiveness and overall needs of the area including housing as well as infrastructure.

D. MULTI-PURPOSE GRANTS

(1) Definition. A multi-purpose grant provides funds for two or more needs and has major expenditures in more than one activity in one or more of the two program areas (housing and public facilities).

(2) Specific Program Categories. Multi-purpose grants will be rated on the same basis as the single purpose grants. The final scores will be based upon the number of points attained from each separate activity, weighted by the ratio of that activity's cost to the total cost of all activities.

E. DEMONSTRATED NEEDS FUND

A $500,000 reserve fund will be established to alleviate critical community needs and to fund innovative or pilot projects that have the potential to expand Louisiana communities cost effective utilization of the LCDBG Program. There will be three announcements for the acceptance of proposals under the Demonstrated Needs Fund. If at the end of each announced acceptance date(s) monies remain, these monies will be transferred into the subsequent Demonstrated Needs Fund. If at the end of the third announcement monies remain, those monies may be transferred into the grant category deemed feasible or used in subsequent year funding for the Demonstrated Needs Fund. An application cannot be submitted for consideration under this fund if that same application is currently under consideration for funding under any other LCDBG program category. If not funded under the other category, a proposal for funding may be resubmitted for this fund.

(1) Criteria for Determining Eligibility

When a request for assistance is received, eligibility determinations will be based on the following criteria:

(a) Critical Need

i. Severity of Problem - The need must be critical and must be verified by an appropriate authority (cognizant state or federal agencies) other than the applicant.

ii. Need for Resources - Sufficient local, federal, or state resources are not available to meet the needs. A signed certification from the chief elected official stating that no other monies are available must be included.

iii. Eligible Activities - Activities proposed to remedy the documented need must be eligible under Section 105(a) of the Housing and Community Development Act of 1974, as amended (see Appendix 4).

(b) Innovation

The state will receive and evaluate proposals for consideration for funding innovation/demonstration projects.

(c) National Objectives

All projects funded must either: 1) benefit low or moderate

income persons or 2) eliminate or aid in the prevention of slums or blight.

(2) Proposal Requirements

Communities must request funds by submitting a written proposal to Secretary Dorothy M. Taylor, Box 94555, Baton Rouge, Louisiana 70804. The proposal must include:

(1) a description of the proposed project;

(2) certification that the funding criteria in Section E (1) have been met;

(3) how the proposed project and its funding will remedy the documented need; and,

(4) a detailed cost estimate signed by a licensed architect or engineer for the monies requested.

F. SUBMISSION REQUIREMENTS

Applications shall be submitted, in a form prescribed by the state, to the Department of Urban and Community Affairs and shall consist of the following:

(1) Community Development Plan. A description of the applicant's community development and housing needs, including those of low and moderate income persons; and a brief description of the applicant's community development and housing needs to be served by the proposed activity(ies).

(2) Program Narrative Statement. This shall consist of:

i. Identification of the national objective(s) that the activity will address.

ii. A description of each activity to be carried out with LCDBG assistance. A detailed cost estimate is required for each activity. If the proposed activity is dependent on other funds for completion, the source of funds and the status of the commitment must also be indicated.

iii. A statement describing the impact the activity will have on the problem area selected and the needs of low and moderate income persons, including information necessary for considering the program impact.

iv. A statement on the percent of funds requested that will benefit low and moderate income persons. The statement should indicate the total number of persons to be served and the number of such persons that meet the definition of low and moderate income, as defined by the state.

(3) Maps. A map of the local jurisdiction which identifies by project area:

i. census tracts and/or enumeration districts;

ii. location of areas with minorities, showing number and percent by census tracts and/or enumeration districts;

iii. location of areas with low and moderate income persons, showing number and percent by census tracts and/or enumeration districts;

iv. boundaries of areas in which the activities will be concentrated;

v. specific location of each activity.

(4) Program Schedule. Each applicant shall submit, in a format prescribed by the state, a listing of dates for major milestones for each activity to be funded.

(5) Title VI Compliance. All applicants shall submit, in a form prescribed by the state, evidence of compliance with Title VI of the Civil Rights Act of 1964. This enables the state to determine whether the benefits will be provided on a nondiscriminatory basis and will achieve the purposes of the program for all persons, regardless of race, color, or national origin.

(6) Certification of Assurances. The certification of assurances required by the state, relative to federal and state statutory requirements, shall be submitted by all applicants; this certification includes, but is not limited to, Title VI, Title VIII, and affirmatively furthering fair housing. In addition, each recipient should target at least 15 percent of all grant monies for minority enterprises. All assurances must be strictly adhered to; otherwise, the grant award will be subject to penalty.

(7) Certification To Minimize Displacement. The applicant must certify that it will minimize displacement as a result of activities assisted with LCDBG funds. In addition to minimizing displacement, the applicant must certify that when displacement occurs reasonable benefits will be provided to persons involuntarily and permanently displaced as a result of the LCDBG assistance to acquire or substantially rehabilitate property. This provision applies to all displacement with respect to residential and nonresidential property not governed by the Uniform Relocation Act.

(8) Certification to Promote Fair Housing Opportunities. Applicants are required to certify that as part of their efforts to further fair housing opportunities in their respective jurisdictions, they will conduct two fair housing seminars during the term of the grant. These seminars can be conducted in a community center or any other appropriate public building. The Department of Urban and Community Affairs will be available to provide technical assistance to recipients, if required.

(9) Certification Prohibiting Special Assessments. The applicant must submit a certification prohibiting the recovery of capital costs for public improvements financed in whole or part with LCDBG funds, through assessments against properties owned and occupied by low and moderate income persons. The prohibition applies also to any fees charged or assessed as a condition of obtaining access to the public improvements.

(10) Certification of Citizen Participation. Applicants shall provide adequate information to citizens about the Community Development Block Grant Program. Applicants shall provide citizens with an adequate opportunity to participate in the planning and assessment of the application for Community Development Block Grant Program funds. One public hearing must be held prior to application submittal in order to obtain the citizen's views on community development and housing needs. A notice must be published informing the populace of the public hearing. Citizens must be provided with the following information at the hearing:

a. The amount of funds available for proposed community development and housing activities;

b. The range of activities that may be undertaken, including the estimated amount proposed to be used for activities that will benefit persons of low and moderate income;

c. The plans of the applicant for minimizing displacement of persons as a result of activities assisted with such funds and the benefits to be provided to persons actually displaced as a result of such activities.

d. If applicable, the applicant must provide citizens with information regarding the applicant's performance on prior LCDBG programs funded by the state.

A second notice must be published after the public hearing has been held but before the application is submitted. The second notice must inform citizens of the proposed objectives, proposed activities, the location of the proposed activities and the amounts to be used for each activity. Citizens must be given the opportunity to submit comments on the proposed application. The notice must further provide the location at which and hours when the application is available for review. The notice must state the submittal date of the application.

Applicants must submit notarized proofs of publication of each public notice.

(11) Local Survey Data. Those applicants who conduct a local survey to determine specific data required for the application must include one copy of all completed survey forms.

(12) Submission of Additional Data. Only that data received by the deadline established for applications will be considered in the selection process unless additional data is specifically

requested, in writing, by the state. Unrequested material received after the deadline will not be considered as part of the application.

G. APPLICATION REVIEW PROCEDURE

(1) The application must be mailed or delivered prior to the deadline date that has been established by the state. The applicant must obtain a "Certificate of Mailing" from the Post Office, certifying the date mailed. The state may require the applicant to submit this Certificate of Mailing to document compliance with the deadline for mailing, if necessary.

(2) The application submission requirements must be complete.

(3) The funds requested must not exceed the amount of the invitation by the state.

(4) Review and notification. Applications will be reviewed. Following the review of all applications, the state will promptly notify the applicant of the actions taken with regard to its application.

(5) Criteria for conditional approval. The state may make a conditional approval, in which case the grant will be approved, but the obligation and utilization of funds is restricted. The reason for the conditional approval and the actions necessary to remove the condition shall be specified. Failure to satisfy the condition may result in a termination of the grant. Conditional approval may be made:

i. Where local environmental reviews have not yet been completed;

ii. Where the requirements regarding the provision of flood or drainage facilities have not yet been satisfied;

iii. To ensure that actual provision of other resources required to complete the proposed activities will be available within a reasonable period of time;

iv. To ensure the project can be completed within estimated costs.

(6) Criteria for disapproval of an application. The state may disapprove an application if:

i. Based on review of the application, it is determined that general administrative costs exceed seven percent of total public facilities costs or housing rehabilitation administrative costs exceed 12 percent of total housing costs.

ii. Based on field review of the applicant's proposal or other information received, it is shown that the information was incorrect, and therefore the application was improperly reviewed and no longer warrants approval when compared with other applications.

iii. On the basis of significant facts and data generally available and pertaining to community and housing needs and objectives, the state determines that the applicant's description of such needs and objectives is plainly inconsistent with such facts and data. The data to be considered may be published data accessible to both the applicant and state such as census data, or other data available to both the applicant and state, such as recent local, areawide, or state comprehensive planning data.

iv. Other resources necessary for the completion of the proposed activity are no longer available or will not be available within a reasonable period of time.

v. The activities cannot be completed within the estimated costs or resources available to the applicant.

vi. Any of the items identified under F. SUBMISSION REQUIREMENTS are not included in the application.

H. PROGRAM AMENDMENTS FOR LCDBG PROGRAM

The state may consider amendments if they are necessitated by actions beyond the control of the applicant. Recipients shall request prior state approval for all program amendments involving new activities or alteration of existing activities that will change the scope, location, or objectives of the approved activities or beneficiaries.

(1) New or altered activities are considered in accordance with the criteria for selection applicable at the time the original application was reviewed.

(2) Consideration shall be given to whether any new activity proposed can be completed promptly.

(3) All amended activities must receive environmental clearance prior to construction.

STATE'S PAST USE OF FUNDS

Federal regulations require the state to provide a description of the past use of funds within the final statement. The description includes FY 1982, FY 1983, and FY 1984 state-awarded grants. Appendix 5 provides:

a. A description of the use of funds under each previous allocation;

b. an assessment of the relationship of the use of funds to the community development objectives identified by the state in each prior final statement; and

c. an assessment of the relationship of the use of funds to the requirements of Section 104 (b) (3) of the Act, as they existed at the time of the certification.

ADMINISTRATION

Rule for Policy Determination. In administering the program, while the state is cognizant of the intent of the program, certain unforeseeable circumstances may arise which may require the exercise of administrative discretion. The state reserves the right to exercise this discretion in either interpreting or establishing new policies.

REDISTRIBUTION OF FUNDS

Any monies awarded by the state that are later recaptured by or returned to the state will be reallocated in accordance with DUCA's policy, then in effect, for the redistribution of such funds. The sources of these funds may include, but not be limited to, program income, questioned costs, disallowed expenses, recaptured funds from loans, unallocated monies, previously awarded funds not spent by grant recipients, etc.

The monies as defined above will be placed in the Demonstrated Needs Fund and will be distributed in accordance with the regulations governing that fund. This policy will govern all such monies as defined herein from the FY 1982, FY 1983, FY 1984, and FY 1985 LCDBG Program years as well as subsequent funding cycles, until later amended.

APPENDIX 1

1984 Median Family Income
By Parish and MSA

Parish	1984 Median Family Income	Low/Mod Income Limit
Acadia	$ 21,650	$ 17,300
Allen	21,200	16,950
Ascension	See MSA - Baton Rouge	
Assumption	24,800	19,850
Avoyelles	16,200	12,950
Beauregard	23,500	18,800
Bienville	18,650	14,900
Bossier	See MSA - Shreveport	
Caddo	See MSA - Shreveport	
Calcasieu	See MSA - Lake Charles	
Caldwell	16,800	13,450
Cameron	27,800	22,250
Catahoula	17,000	13,600
Claiborne	19,500	15,600
Concordia	20,300	16,250
DeSoto	19,900	15,900
East Baton Rouge	See MSA - Baton Rouge	
East Carroll	16,200	12,950
East Feliciana	23,150	18,500
Evangeline	17,200	13,750
Franklin	16,200	12,950
Grant	21,000	16,800
Iberia	27,400	21,900
Iberville	24,700	19,750
Jackson	18,500	14,800
Jefferson	See MSA - New Orleans	
Jefferson Davis	23,900	19,100
Lafayette	See MSA - Lafayette	
Lafourche	See MSA - Houma-Thibodaux	
La Salle	20,300	16,250
Lincoln	22,300	17,850
Livingston	See MSA - Baton Rouge	
Madison	16,200	12,950
Morehouse	17,300	13,850
Natchitoches	17,900	14,300
Orleans	See MSA - New Orleans	
Ouachita	See MSA - Monroe	
Plaquemines	27,500	22,000
Pointe Coupee	21,300	17,050
Rapides	See MSA - Alexandria	
Red River	16,900	13,500
Richland	16,200	12,950

1984 Median Family Income
By Parish and MSA

Sabine	$ 18,150	$ 15,400
St. Bernard	See MSA - New Orleans	
St. Charles	See MSA - New Orleans	
St. Helena	16,200	12,950
St. James	29,150	23,300
St. John the Baptist	See MSA - New Orleans	
St. Landry	19,150	15,300
St. Martin	See MSA - Lafayette	
St. Mary	29,400	23,500
St. Tammany	See MSA - New Orleans	
Tangipahoa	20,150	16,100
Tensas	16,200	12,950
Terrebonne	See MSA - Houma-Thibodaux	
Union	18,700	14,950
Vermilion	23,500	18,800
Vernon	16,650	13,300
Washington	19,150	15,300
Webster	24,400	19,500
West Baton Rouge	See MSA - Baton Rouge	
West Carroll	16,200	12,950
West Feliciana	20,400	16,300
Winn	16,650	13,300

MSA - Metropolitan Statistical Areas

MSA Alexandria, LA [1]	21,150	16,900
MSA Baton Rouge, LA [2]	28,300	22,650
MSA Houma-Thibodaux, LA [3]	28,400	22,700
MSA Lafayette, LA [4]	30,200	24,150
MSA Lake Charles, LA [5]	28,900	23,100
MSA Monroe, LA [6]	22,700	18,150
MSA New Orleans, LA [7]	27,500	22,000
MSA Shreveport, LA [8]	25,700	20,550

Footnotes:

1 Includes Rapides Parish only.
2 Includes East Baton Rouge, West Baton Rouge, Livingston, and Ascension Parishes.
3 Includes Terrebonne and Lafourche Parishes.
4 Includes St. Martin and Lafayette Parishes.
5 Includes Calcasieu Parish only.
6 Includes Ouachita Parish only.
7 Includes Jefferson, Orleans, St. Tammany, St. Bernard, St. John the Baptist and St. Charles Parishes.
8 Includes Caddo and Bossier Parishes.

Source: Section 8 Median Income Data, provided by HUD Area Office, March 1, 1984.

APPENDIX 2

1980 Median Family Income
By Parish and MSA

Parish	1980 Median Family Income	LOW/MOD INCOME LIMIT Families	LOW/MOD INCOME LIMIT Unrelated Individuals
Acadia	$ 15,792	$ 12,634	$ 8,844
Allen	15,685	12,548	8,784
Ascension	21,572	17,258	12,080
Assumption	17,334	13,867	9,707
Avoyelles	11,987	9,590	6,713
Beauregard	17,417	13,934	9,754
Bienville	13,850	11,080	7,756
Bossier	See MSA - Shreveport		
Caddo	See MSA - Shreveport		
Calcasieu	See MSA - Lake Charles		
Caldwell	12,624	10,099	7,069
Cameron	20,562	16,450	11,515
Catahoula	12,770	10,216	7,151
Claiborne	14,538	11,630	8,141
Concordia	15,208	12,166	8,516
DeSoto	14,887	11,910	8,337
East Baton Rouge	See MSA - Baton Rouge		
East Carroll	10,388	8,310	5,817
East Feliciana	16,184	12,947	9,063
Evangeline	12,540	10,032	7,022
Franklin	11,937	9,550	6,685
Grant	See MSA - Alexandria		
Iberia	19,268	15,414	10,790
Iberville	17,340	13,872	9,710
Jackson	13,919	11,135	7,795
Jefferson	See MSA - New Orleans		
Jefferson Davis	17,657	14,126	9,888
Lafayette	See MSA - Lafayette		
Lafourche	19,947	15,958	11,170
LaSalle	15,250	12,200	8,540
Lincoln	16,660	13,328	9,330
Livingston	See MSA - Baton Rouge		
Madison	10,679	8,543	5,980
Morehouse	12,949	10,359	7,251
Natchitoches	13,343	10,674	7,472
Orleans	See MSA - New Orleans		
Ouachita	See MSA - Monroe		
Plaquemines	19,884	15,907	11,135
Pointe Coupee	14,913	11,930	8,351
Rapides	See MSA - Alexandria		
Red River	12,482	9,986	6,990
Richland	12,112	9,690	6,783
Sabine	13,519	10,815	7,571

1980 Median Family Income
By Parish and MSA

Parish	1980 Median Family Income	LOW/MOD INCOME LIMIT Families	Unrelated Individuals
St. Bernard	See MSA - New Orleans		
St. Charles	$ 23,223	$ 18,578	$ 13,005
St. Helena	11,370	9,096	6,367
St. James	21,044	16,835	11,785
St. John the Baptist	21,818	17,454	12,218
St. Landry	13,893	11,114	7,780
St. Martin	16,612	13,290	9,303
St. Mary	20,688	16,550	11,585
St. Tammany	See MSA - New Orleans		
Tangipahoa	14,315	11,452	8,016
Tensas	10,447	8,358	5,850
Terrebonne	20,918	16,734	11,714
Union	14,027	11,222	7,855
Vermilion	16,951	13,561	9,493
Vernon	12,951	10,361	7,253
Washington	13,641	10,913	7,639
Webster	See MSA - Shreveport		
West Baton Rouge	See MSA - Baton Rouge		
West Carroll	10,807	8,646	6,052
West Feliciana	14,289	11,431	8,002
Winn	12,445	9,956	6,969
MSA-Metropolitan Statistical Areas			
Alexandria, LA[1]	$ 15,741	$ 12,593	$ 8,815
Baton Rouge, LA[2]	21,301	17,041	11,929
Lafayette, LA[3]	21,472	17,178	12,024
Lake Charles, LA[4]	21,316	17,053	11,937
Monroe, LA[5]	17,140	13,712	9,598
New Orleans, LA[6]	19,196	15,357	10,750
Shreveport, LA[7]	18,158	14,526	10,168

1 Includes Rapides and Grant Parishes
2 Includes East Baton Rouge, West Baton Rouge, Livingston and Ascension Parishes
3 Includes Lafayette Parish Only
4 Includes Calcasieu Parish Only
5 Includes Ouachita Parish Only
6 Includes Jefferson, Orleans, St. Bernard and St. Tammany Parishes
7 Includes Bossier, Caddo and Webster Parishes

Source: 1980 Census and Formula provided by U. S. Department of Housing and Urban Development.

APPENDIX 3
Act 590 of the 1970 Parish Redevelopment Act - Section Q-8

(8) *Slum area* means an area in which there is a predominance of buildings or improvements, whether residential or nonresidential, which by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open space, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or an area of open land which, because of its location and/or platting and planning development, for predominantly residential uses, or any combination of such factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime, and is detrimental to the public health, safety, morals or welfare.

(i) *Blighted area* means an area which by reason of the presence of a substantial number of slum, deteriorated or deteriorating structures, predominance of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility

or usefulness, insanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors substantially impairs or arrests the sound growth of the municipality, retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals, or welfare in its present condition and use; but if the area consists of any disaster area referred to in Subsection C (5), it shall constitute a "blighted area."

APPENDIX 4

Eligible Activities

§105.(a) Activities assisted under this title may include only—

(1) the acquisition of real property (including air rights, water rights, and other interests therein) which is (A) blighted, deteriorated, deteriorating, undeveloped, or inappropriately developed from the standpoint of sound community development and growth; (B) appropriate for rehabilitation or conservation activities; (C) appropriate for the preservation or restoration of historic sites, the beautification of urban land, the conservation of open spaces, natural resources, and scenic areas, the provision of recreational opportunities, or the guidance of urban development; (D) to be used for the provision of public works, facilities, and improvements eligible for assistance under this title, or (E) to be used for other public purposes;

(2) the acquisition, construction, reconstruction, or installation (including design features and improvements with respect to such construction, reconstruction, or installation that promote energy efficiency) of public works, facilities (except for buildings for the general conduct of government), and site or other improvements;

(3) code enforcement in deteriorated or deteriorating areas in which such enforcement, together with public improvements and services to be provided, may be expected to arrest the decline of the area;

(4) clearance, demolition, removal, and rehabilitation (including rehabilitation which promotes energy efficiency) of buildings and improvements (including interim assistance, and financing public or private acquisition for rehabilitation, and rehabilitation, of privately owned properties and including the renovation of closed school buildings);

(5) special projects directed to the removal of material and architectural barriers which restrict the mobility and accessibility of elderly and handicapped persons;

(6) payments to housing owners for losses of rental income incurred in holding for temporary periods housing units to be utilized for the relocation of individuals and families displaced by activities under this title;

(7) disposition (through sale, lease, donation, or otherwise) of any real property acquired pursuant to this title or its retention for public purposes;

(8) provisions of public services, including but not limited to those concerned with employment, crime prevention, child care, health, drug abuse, education, energy conservation, welfare or recreation needs, if such services have not been provided by the unit of general local government (through funds raised by such unit, or received by such unit from the state in which it is located) during any part of the 12-month period immediately preceding the date of submission of the statement with respect to which funds are to be made available under this title, and which are to be used for such services, unless the secretary finds that the discontinuation of such services was the result of events not within the control of the unit of general local government, except that not more than 15 per centum of the amount of any assistance to a unit of general local government under this title may be used for activities under this paragraph unless such unit of general local government used more than 15 percent of the assistance received under this title for fiscal year 1982 or fiscal year 1983 for such activities (excluding any assistance received pursuant to Public Law 98-8), in which case such unit of general local government may use not more than the percentage or amount of such assistance used for such activities for such fiscal year, whichever method of calculation yields the higher amount;

(9) payment of the non-federal share required in connection with a federal grant-in-aid program undertaken as part of activities assisted under this title;

(10) payment of the cost of completing a project funded under title I of the Housing Act of 1949;

(11) relocation payments and assistance for displaced individuals, families, businesses, organizations, and farm operations, when determined by the grantee to be appropriate;

(12) activities necessary (A) to develop a comprehensive community development plan, and (B) to develop a policy-planning-management capacity so that the recipient of assistance under this title may more rationally and effectively (i) determine its needs, (ii) set long-term goals and short-term objectives, (iii) devise programs and activities to meet these goals and objectives, (iv) evaluate the progress of such programs in accomplishing these goals and objectives, and (v) carry out management, coordination, and monitoring of activities necessary for effective planning implementation;

(13) payment of reasonable administrative costs and carrying charges related to the planning and execution of community development and housing activities, including the provision of information and resources to residents of areas in which community development and housing activities are to be concentrated with respect to the planning and execution of such activities, and including the carrying out of activities as described in Section 701(e) of the Housing Act of 1954 on the date prior to the date of enactment of the Housing and Community Development Amendments of 1981;

(14) activities which are carried out by public or private nonprofit entities, including (A) acquisition of real property; (B) acquisition, construction, reconstruction, rehabilitation, or installation of (i) public facilities (except for buildings for the general conduct of government), site improvements, and utilities, and (ii) commercial or industrial buildings or structures and other commercial or industrial real property improvements; and (C) planning.

(15) grants to neighborhood-based nonprofit organizations, local development corporations, or entities organized under Section 301(d) of the Small Business Investment Act of 1958 to carry out a neighborhood revitalization or community economic development or energy conservation project in furtherance of the objectives of Section 101(c), and grants to neighborhood-based nonprofit organizations, or other private or public nonprofit organizations, for the purpose of assisting, as part of neighborhood revitalization or other community development, the development of shared housing opportunities (other than by construction of new facilities) in which elderly families (as defined in Section 3(b)(3) of the United States Housing Act of 1937) benefit as a result of living in a dwelling in which the facilities are shared with others in a manner that effectively and efficiently meets the housing needs of the residents and thereby reduces their cost of housing;

(16) activities necessary to the development of comprehensive community-wide energy use strategy, which may include items such as—

(A) a description of energy use and projected demand by sector, by fuel type, and by geographic area;

(B) an analysis of the options available to the community to conserve scarce fuels and encourage use of renewable energy resources;

(C) an analysis of the manner in, and the extent to, which the community's neighborhood revitalization, housing, and economic development strategies will support its energy conservation strategy;

(D) an analysis of the manner in, and the extent to, which energy conservation objectives will be integrated into local government operations, purchasing and service delivery, capital improvements budgeting, land use planning and zoning, and traffic control, parking, and public transportation functions;

(E) a statement of the actions the community will take to foster energy conservation and the use of renewable energy resources in the private sector, including the enactment and enforcement of local codes and ordinances to encourage or mandate energy conservation or use of renewable energy resources, financial and other assistance to be provided (principally for the benefit of low- and moderate-income persons) to make energy conserving improvements to residential structures, and any other proposed energy conservation activities;

(F) appropriate provisions for energy emergencies;

(G) identification of the local governmental unit responsible for administering the energy use strategy;

(H) provision of a schedule for implementation of each element in the strategy; and

(I) a projection of the savings in scarce fossil fuel consumption and the development and use of renewable energy resources that will result from implementation of the energy use strategy;

(17) provision of assistance to private, for-profit entities, when the assistance is necessary or appropriate to carry out an economic development project; and

(18) the rehabilitation or development of housing assisted under Section 17 of the United States Housing Act of 1937.

(b) Upon the request of the recipient of assistance under this title, the secretary may agree to perform administrative services on a reimbursable basis on behalf of such recipient in connection with loans or grants for the rehabilitation of properties as authorized under Subsection (a)(4).

(c)(1) In any case in which an assisted activity described in Paragraph (14) or (17) of Subsection (a) if identified as principally benefitting persons of low and moderate income, such activity shall—

(A) be carried out in a neighborhood consisting predominantly of persons of low and moderate income and provide services for such persons; or

(B) involve facilities designed for use predominantly by persons of low and moderate income; or

(C) involve employment of persons, a majority of whom are persons of low and moderate income.

(2) In any case in which an assisted activity described in Subsection (a) is designed to serve an area generally and is clearly designed to meet identified needs of persons of low and moderate income in such area, such activity shall be considered to principally benefit persons of low and moderate income if (A) not less than 51 percent of the residents of such area are persons of low and moderate income; or (B) in any metropolitan city or urban county, the area served by such activity is within the highest quartile of all areas within the jurisdiction of such city or county in terms of the degree of concentration of persons of low and moderate income.

(3) Any assisted activity under this title that involves the acquisition or rehabilitation of property to provide housing shall be considered to benefit persons of low and moderate income only to the extent such housing will, upon completion, be occupied by such persons.

APPENDIX 5
Allocation of Funds in Relation to Category
and National and State Objectives

The following is a chart reflecting the allocation of LCDBG funds by category for FY's 1982, 1983 and 1984. A portion of the funds are currently unallocated, as indicated, due to cancellation of some grants and the fact that all FY 1984 grants have not yet been awarded.

CATEGORY	FY 1982 $	FY 1982 %	FY 1983 $	FY 1983 %	FY 1984 $	FY 1984 %
Prior Year Commitment	13,213,528	42.83	6,579,549	23.68	-0-	0.00
Economic Development	962,500	3.12	1,084,000	3.90	3,107,000	11.49
Housing	4,601,999	14.92	4,311,920	15.52	4,027,541	14.90
Public Facilities	9,563,651	31.00	11,654,065	41.94	15,689,880	58.02
Planning	196,767	.64	0	.00	-0-	0.00
Imminent Threat	1,713,300	5.55	2,089,520	7.52	-0-	0.00
Innovative Housing	0	.00	1,100,000	3.96	-0-	0.00
Administration	308,484	1.00	333,444	1.20	540,820	2.00
Unallocated	288,144	.94	634,502	2.28	3,675,759	13.59
TOTAL	30,848,373	100.00	27,787,000	100.00	27,041,000	100.00

The applicants selected for funding in FY's 1982, 1983 and 1984 were required to meet one or more of the national objectives. The national objectives for those years were:

1. Elimination of slums and blight and the prevention of blighting influences.
2. Elimination of conditions which are detrimental to health, safety, and public welfare.
3. Benefit to low-moderate income persons.

The following table is a breakdown of the total grants for FY's 1982, 1983 and 1984 as they apply to each national objective. Each recipient's administrative monies are not included.

NATIONAL OBJECTIVES AND FUNDING

National Objective	FY 1982 $	%	FY 1983 $	%	FY 1984 * $	%
Elimination of Slums & Blight	253,455	.89	109,714	.43	90,550	.42
Conditions detrimental to health, safety, and public welfare	1,626,800	5.70	2,033,050	8.02	-0-	.00
Benefit to low-mod	26,642,673	93.41	23,213,063	91.55	21,307,350	99.58
Total	28,522,928	100.00	25,355,827	100.00	21,397,900	100.00

* All of the FY 1984 grants have not been awarded.

A state objective has also been included each year to strengthen economic development through the creation of jobs, stimulation of private investment, and community revitalization. That state objective was met through the funding of economic development grants. The economic development grants also met the national objective of benefit to low and moderate income persons and are therefore shown under that national objective.

These regulations are to be effective on April 20, 1985, and are to remain in force until they are amended or rescinded. Anyone having comments should contact: Colby LaPlace, Assistant Secretary, Office of Planning and Technical Assistance, Department of Urban and Community Affairs, Box 94455, Baton Rouge, Louisiana, 70804.

Dorothy M. Taylor
Secretary

Notices of Intent

NOTICE OF INTENT

Department of Agriculture
Office of Agricultural and Environmental Sciences
Advisory Commission on Pesticides

In accordance with the provisions of the Administrative Procedure Act (R.S. 49:950 et seq.) and R.S. 3:3213, the Department of Agriculture, Advisory Commission on Pesticides, is hereby giving notice of its intention to adopt the amendments detailed below. Comments should be forwarded to: Harry Calhoun, Director, Advisory Commission on Pesticides, Department of Agriculture, Box 44153, Baton Rouge, LA 70804. Comments will be accepted through May 6, 1985.

Rule 12.2 (A) should be amended as follows:

12.2 Restrictions on Application of Certain Pesticides

A. The commission hereby declares that, in addition to all other pesticides classified by EPA as restricted use pesticides, the pesticides listed in Rule 12.2 (B) are classified as restricted use pesticides within the State of Louisiana, except:

(1) when formulated in concentrations of two percent or less; or

(2) when formulated with fertilizer for use by homeowners; or

(3) when formulated in containers of one quart or less or two pounds dry weight or less.

Rule 12.2 (G) should be amended as follows:

12.2 Restrictions on Application of Certain Pesticides

G. No commercial applicator may make application of the following pesticides when the wind speed is at 10 miles per hour or above:

1. 3[1]4[1]-Dichloropropionanilide — Propanil
2. 1:1-Dimethyl-4,4[1]-Bipyridinium (cation) dichloride — Paraquat

Bob Odom
Commissioner

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Amend Rule 12.2(A) and 12.2(G)

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

There will be no implementation costs to state or local governmental units.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

There will be no effect on revenue collections of state or local governmental units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

No costs and/or economic benefits are anticipated.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

No effect on competition and employment is anticipated.

Carol H. Guidry	Mark C. Drennen
Fiscal Officer	Legislative Fiscal Officer

NOTICE OF INTENT

Department of Agriculture
Office of Animal Health Services
Livestock Sanitary Board

In accordance with the provisions of the Administrative Procedure Act (R.S. 49:950 et seq.) and R.S. 3:2093, the Department of Agriculture, Livestock Sanitary Board, is hereby giving notice of its intention to repromulgate rules and regulations for the enforcement of its requirements under Title 3 of the Revised Statutes of 1950. These rules and regulations will make administrative changes to procedures which are currently being enforced by the Livestock Sanitary Board.

The Livestock Sanitary Board has scheduled a meeting for Friday, April 26, 1985, beginning at 9:30 a.m., in the State Capitol, Baton Rouge, LA, 21st Floor, conference room. Comments will be accepted by Dr. William Fairchild, State Veterinarian, Livestock Sanitary Board, Department of Agriculture, Box 1951, Baton Rouge, LA 70821, through Friday, April 26, 1985. All interested persons will be afforded an opportunity to submit views or arguments orally or in writing at the board meeting.

Title 7
AGRICULTURE AND ANIMALS
Part XXI. Diseases of Animals

Chapter 117. Louisiana State Livestock Sanitary Board
Subchapter A. General Provisions
§11701. Definitions

Accredited herd means a herd which has passed at least two consecutive annual tuberculin tests and no other evidence of bovine tuberculosis has been disclosed.

Accredited veterinarian means a veterinarian approved by the United States Department of Agriculture (USDA) to perform the function involved in connection with the inspection and certification of animals.

Annual test means tests conducted at intervals of not less than 10 months nor more than 14 months.

Approved slaughter establishment means a recognized slaughter establishment that has made application and received approval from the state and federal governments to handle brucellosis reactors.

Auction operator means a person responsible for the operation of a livestock auction market.

Auction veterinarian means an accredited veterinarian employed by an auction market and authorized to carry out the provisions of the livestock auction market regulations.

Authorized agent of the Livestock Sanitary Board means an employee of the Livestock Sanitary Board or USDA.

Authorized Buyer means (1) an employee of a USDA approved slaughtering establishment who buys horses that move from the auction market directly to the slaughtering establishment with no period of time spent in a holding area of any kind; or (2) a buyer who has a permit issued by the Livestock Sanitary Board to operate a quarantine holding area for EIA positive and "S" branded horses.

Board means the Louisiana Livestock Sanitary Board.

Breeding purpose means all cattle, purebred or grade, that are sold for stocker, feeding, grazing, dairy and/or reproductive purposes.

Breeding-type cattle means all cattle 20 months of age and over for dairy breeds and 24 months of age and over for beef breeds as evidenced by the presence of the first pair of permanent incisor teeth, including animals under these ages which are parturient or post-parturient, other than steers and spayed heifers offered for sale for any purpose other than immediate slaughter. This includes dairy, stocker, feeder-grazer and purebred animals.

Brucellosis means a disease of livestock capable of being transmitted to man and caused by brucella organisms, commonly called "Bang's Disease" in cattle and "Undulant Fever" in man.

Brucellosis exposed herd means a herd of cattle that has intermingled with brucellosis infected cattle or otherwise been exposed to brucellosis infected animals which includes: (1) cattle separated from known infected cattle by a single fence; (2) cattle herds where there is direct drainage from brucellosis quarantined premises; or (3) cattle herds in common range with brucellosis infected herds. All herds, other than dairies, negative to the BRT and certified brucellosis free herds tested within the past 12 months, owned by an individual, partnership, corporation or association, that are within 50 miles of an infected herd owned by such individual, partnership, corporation or association.

Brucellosis infected herd means:

1. A herd will be considered infected if an official brucellosis blood test of the herd reveals one or more reactors.

2. A herd to which one brucellosis reactor in a consignment tested in the market cattle testing program (tested on the physical premises of the auction market or slaughter establishment) has been traced. The herd shall be considered infected and under quarantine until the entire herd of origin has been officially blood tested not less than 30 days from the date reactor was detected.

3. A herd to which two or more brucellosis reactors in a consignment tested in the market cattle testing program (tested on the physical premises of the auction market or slaughter establishment) has been traced. The herd shall be considered infected and under quarantine until it has passed one completely negative test no less than 30 days following the date the last reactor was removed from the herd and the premises, and in addition, a second negative herd test no less than 90 days from date of first negative herd test.

4. A dairy herd that has had a positive milk ring test. The herd shall be considered infected and handled as such until the entire herd has been officially blood tested. The status of the herd will then be determined by the results of the herd blood test.

Brucellosis quarantined area means an area or state that is under USDA brucellosis quarantine.

Brucellosis qualified herd means a herd located in a brucellosis quarantined area that has been tested and found negative to brucellosis within the last 12 months.

Brucellosis quarantined herd means a brucellosis infected herd that has not successfully completed the testing requirements for negative status; or an exposed herd that has been placed under quarantine to be tested until such time as it has been declared brucellosis negative.

Brucellosis reactor means any animal which is positive to one or more brucellosis test which indicate the animal is infected with brucellosis.

Buyer means any individual, partnership, corporation or association which handles EIA positive and/or "S" branded horses.

Certificate of approval means a certificate issued to a commercial poultry producer by the Livestock Sanitary Board approv-

ing a specific method of disposing of dead poultry to be used by the commercial poultry producer.

Certified brucellosis free herd means a herd that meets the requirements as outlined in the federal Uniform Methods and Rules (brucellosis eradication).

Commercial poultry producer means any person, firm or corporation engaged in the production of broilers, pullets, turkeys, game birds, commercial eggs or hatching eggs for wholesale or retail purposes.

Delinquent herd means any infected herd not tested within a period of 120 days is considered delinquent.

Destroyed means condemned under state or federal authority and destroyed by slaughter or by death.

Direct to slaughter means the shipment of cattle from the premises of origin directly to a slaughter establishment without diversion to assembly points, such as auctions, public stockyards and feedlots.

Equipment means equipment capable of delivering required temperature as a unit designed by Floyd Rush Corporation patent or comparable equipment.

Executive secretary and/or state veterinarian means an appointee representing the board to serve in said capacity.

Federal inspector means an inspector or veterinary medical officer of the Animal and Plant Health Inspection Service, United States Department of Agriculture.

Form VS 1-27 means a form which must be secured from state or federal personnel before cattle may be moved from the premises. This document will be valid for 15 days from the date of issuance.

Garbage means all animal and vegetable waste resulting from the handling, preparation and cooking of food; unconsumed food in all public and private establishments and residences; and the offal and carcasses of dead animals and poultry.

Herd Depopulation means the removal of all cattle in the herd direct to slaughter prior to any restocking of the premises with cattle.

Herd test shall include all cattle over six months of age.

Hog cholera means the contagious, infectious, and communicable disease of swine.

Infectious or contagious disease means any disease capable of being transmitted from one animal to another, either directly or indirectly.

Livestock means cattle, sheep, swine, goats, horses, mules, burros, asses or other livestock of all ages.

Livestock auction market means a livestock auction in which sales are held at regular intervals. This does not apply to breeders' association sales, livestock show sales and livestock owners' sales, which are governed by other regulations.

Livestock auction market permit means an official document issued by the board annually authorizing a person to operate a livestock auction.

Modified accredited area means a state or portion thereof which is actively participating in the eradication of tuberculosis and maintains its status.

Mortgage means any mortgage, lien or other security or beneficial interest held by any person other than the one claiming indemnity.

Moved means shipped, transported or otherwise moved, or delivered or received for movement, by any person, via land, water or air.

Negative herd means:

1. A herd not under quarantine in which, on the initial test, no reactors were revealed.

2. A commercial dairy herd that has passed four consecutive negative milk ring tests within the last 12 months, the tests being no less than two months or more than four months apart.

3. Infected herds that have passed one completely negative test no less than 30 days following the date the last reactor was removed from the herd and the premises, and in addition, passed a second negative herd test no less than 90 days from date of the first negative herd test.

4. A herd to which one brucelosis reactor in a consignment tested in market cattle testing program (tested on the physical premises of the auction market or slaughter establishment) has been traced, and the herd of origin has been blood tested not less than 30 days from the date the reactor was detected and found negative.

5. An exposed herd which on initial test reveals no reactors and where there has been no direct contact (including across-fence contact) with the infected herd within 120 days. If contact has occurred within 120 days of the negative test (including across-fence contact) such herd must pass a second negative test no less than 90 days from the date of the first negative test.

No gross lesion (NGL) animal means an animal in which a lesion(s) of tuberculosis is not found during slaughter inspection. (An animal with skin lesions only will be considered in the same category as an NGL.)

Official brucellosis vaccinates means calfhood or adult vaccinates as outlined in LAC 7:11745(E) and LAC 7:11745(F).

Official calf vaccinates means female cattle that have been vaccinated with brucella abortus vaccine at the proper age, by an accredited veterinarian, and properly reported to the state or federal office.

Official health certificate means a legible record of an animal's health recorded on an official form. These certificates are valid for 30 days only.

Official tuberculin test means a tuberculin test which has been applied by a veterinarian employed in a full-time capacity by the state, USDA (Animal and Plant Health Inspection Service), or by an accredited veterinarian. All tuberculin tests are official tests. A report of all tuberculin tests, including a record of all responses, shall be submitted in accordance with the requirements of the cooperating state and federal authorities. These officials reserve the right to supervise any tests conducted by an accredited veterinarian.

Passed herd means a herd in which no animals were classified as reactors or suspects on the herd test.

Permit means a license issued annually by the Louisiana Livestock Sanitary Board.

Person means any natural person and/or persons, partnership, corporation, unincorporated association and/or any legal entity whatsoever.

Poultry means chickens, ducks, turkeys, pigeons, guinea fowl, geese, peafowl and pheasants and other domestic feathered life, includes hatching eggs.

Quarantined feedlot means a confined area under the direct supervision and control of the state livestock official who shall establish procedures for accounting of all animals entering or leaving such quarantined feedlot. The quarantined feedlot shall be maintained for finish feeding of animals in dry lot with no provision for pasturing and grazing. All animals leaving such feedlot must move only to slaughter in accordance with established procedures for handling quarantined animals.

Quarantine holding area means an area where EIA positive and/or "S" branded horses are kept and where such horses are separated by at least 440 yards from all other horses.

Recognized slaughter establishment means a slaughter establishment maintaining state or federal meat inspection.

Rendering plant means any establishment equipped to render by heat, steam or dry method any animal or fowl dead from any cause. This shall also include rendering offal from slaughtering establishments or butcher shops.

Screwworms means the communicable disease (myiasis) of livestock caused by the presence of the screwworms (cochlyomio hominivorax).

State inspector means an inspector regularly employed by the Louisiana Livestock Sanitary Board and authorized to perform the function involved in connection with the inspections and certification of animals.

State veterinarian means the executive secretary of the Livestock Sanitary Board.

State-federal quarantined feedlot means a feedlot that has obtained a permit from the Livestock Sanitary Board to operate as outlined in LAC 7:11751.

Sterilized and dehydrated foods means waste food which has been subjected to sufficient dry heat, 325°F minimum, for the purpose of extraction of fluids, 12 percent moisture or below permissable, and for the destruction of any organism from such matter.

Surveillance means all measures used to detect the presence of tuberculosis in the cattle population.

Valid 30-day negative brucellosis test means an official brucellosis negative card test.

Valid 30-day negative brucellosis test certificate means a certificate on which the official test has been recorded. This may be an official health certificate completed by an accredited veterinarian; the official brucellosis test charts from the state-federal laboratory; an individual brucellosis test certificate issued at the auction market; or a special certificate issued by the state-federal laboratory at the request of the owner.

Veterinary medical officer and/or supervisory veterinary medical officer (also referred to as "area veterinarian") means a veterinarian employed by the Livestock Sanitary Board or the United States Department of Agriculture, Animal and Plant Health Inspection Service.

Veterinary services means the Animal and Plant Health Inspection Service, United States Department of Agriculture.

Waste food processor means any person, partnership, firm, corporation, institution or entity processing waste for livestock feed. This includes all state and private institutions and commercial establishments manufacturing waste foods into livestock feed.

§11703. Administration of the Affairs of the Board

A. The members of the board shall elect a chairman, vice-chairman and a secretary-treasurer from the membership of the board, who shall serve for terms of one year, but may be elected for an indefinite number of terms. After the initial election, the officers shall be elected at the board's regular meeting during the first quarter of each year. In the absence of the chairman at any meeting of the board, the vice-chairman shall preside.

B. The board shall meet quarterly and may meet on the call of the chairman or upon the request of any three members. The board shall not meet more than 12 times in any calendar year.

C. Meetings of the board shall normally be held in its domicile, but may be held at other locations upon the determination of the chairman or the will of the commission.

D. For the transaction of business, the quorum of the board shall be seven members.

E. An affirmative vote of a minimum of seven members shall be required for the adoption of any motion.

F. Members of the board may designate representatives to attend meetings of the board. Members who appoint representatives shall provide notice to the board of such action. Representatives shall present written authorization, signed by a member, to the board prior to attending a meeting. Representatives shall not have voting rights.

G. Rules and regulations of the board, and amendments thereto, shall be noticed, adopted, and promulgated as required by the Louisiana Administrative Procedure Act.

H. The chairman shall designate a hearing officer, who may or may not be a member of the board, to preside at all adjudicatory proceedings of the board. The chairman may, if he so desires, serve as hearing officer at any adjudicatory proceedings.

I. The board shall serve as the hearing body in all adjudicatory proceedings and shall make the final determination with regard to the disposition of all matters coming to adjudication.

J. No member of the board shall participate in any discussion or vote concerning any matter before the board in which such member has a personal or commercial interest.

§11705. General Health Requirements Governing Admission of Livestock and Poultry

All livestock brought into the state shall be accompanied by an official health certificate stating that the animals are healthy, free from signs of infectious or contagious diseases and signs of internal and/or external parasites, and meet the specific requirements stated in this regulation. No livestock affected with, or carrying the contagion of, screwworms shall be moved into Louisiana for any purpose. Health certificates are valid for 30 days only. Livestock consigned to an approved slaughter establishment or an approved livestock auction market are exempt from this requirement.

§11707. Admittance of Livestock to Fairs, Livestock Shows, Breeders' Association Sales, Rodeos and Racetracks

A. All interstate movements of livestock consigned to Louisiana fairs, livestock shows, breeders' association sales, rodeos and racetracks must meet federal interstate requirements and the requirements of LAC 7:11705.

B. All livestock to be admitted to fair grounds, livestock show grounds, breeders' association sale grounds, rodeos or racetracks must be accompanied by an official health certificate, issued by an accredited veterinarian, asserting that the animals are showing no evidence of infectious, contagious or parasitic disease and are apparently healthy and have met all the specific requirements of this regulation However, horses not congregated overnight are exempt from being accompanied by a health certificate, but must meet the requirements as stipulated in equine requirements (LAC 7:11761).

C. Upon inspection, all livestock revealing symptoms of infectious, contagious or parasitic diseases, including external parasites such as mange mites, lice, etc., shall (at the discretion of the board's representative) be either separated and held in isolation or removed from the fair grounds, livestock show grounds, breeders' association sale grounds, rodeos or racetracks and returned to the owner's premises under quarantine.

§11709. Livestock Auction Market Requirements

A. No person shall operate a livestock auction without first obtaining a livestock auction market permit from the board. Any person operating a livestock auction market without a valid livestock auction permit will be in violation of this regulation and subject to prosecution.

B. Conditions for Issuing a Livestock Auction Market Permit

1. In order to obtain a livestock auction market permit, the livestock auction market must post a proper bond with the board as required by R.S. 3:565, or be properly bonded under the U.S. Packers and Stockyards Act.

2. The livestock auction market must provide the following:

a. Adequate and sanitary housing for use of state-federal personnel to conduct tests, including the rivanol test for brucellosis. This will include running water, adequate lighting, sanitary plumbing facilities, heating and cooling when necessary and refrigeration for biologics if the quantity to be kept on hand will warrant it. Otherwise, state or federal personnel will furnish his own portable refrigeration.

b. Separate pens for holding brucellosis reactors.

c. Adequate facilities and personnel to separate and restrain livestock to enable the auction veterinarian and/or representatives of the Livestock Sanitary Board to carry out the requirements of this regulation.

3. The auction operator agrees to operate the sale in conformity with the requirements of this regulation.

4. The day of the week approved by the board for the conduct of the sale must be established prior to the issuance of the charter.

a. In the application for charter, the applicant shall specify the day(s) of the week on which he desires to conduct sales.

b. No requested sales day shall be approved for any applicant if any established, chartered auction market(s) located within a 50 mile radius of the applicant has received prior board approval for the conduct of a sale on the same day of the week, provided that the board may approve an applicant's request for approval of a sale on the same day of the week as a sale conducted by an established, chartered market within a 50 mile radius if the operator(s) of the established market(s) submits a statement, in writing, to the effect that he has no objections to the board's approval of the same sales day.

c. Whenever any established, previously chartered auction market desires to change the day of the week approved by the board for the conduct of his sale, the operator shall submit a request for a change of approved sales days at least 15 days prior to the desired change, which request shall include, but not be limited to, the following information:

i. day of the week previously approved for the sale;

ii. day of the week for which approval is sought; and

iii. statement identifying reasons for the requested change, specific benefits which are expected to accrue to producers and buyers and proposed allocation of board personnel to handle the change of sales day. If the established market desires to change the approved sales day to the same day previously approved for another established auction market within a 50 mile radius, the operator shall submit the same statement as required by LAC 7:11709(B)(4)(b).

d. In any case where two or more chartered markets located within a 50 mile radius desire to conduct sales on the same day of the week, and the statement required under LAC 7:11709(B)(4)(b) is not filed by all such chartered operators, the board shall establish the day of the week on which each operator shall conduct his sale.

C. Duration of Livestock Auction Market Permit

A livestock auction market permit shall be renewable on January 1 of each year, provided proper and adjusted bonds are kept in full force and effect and the livestock auction market is being operated in full compliance with the provisions of LAC 7:11711, as determined by the board.

D. Cancellation of Livestock Auction Market Permit

A livestock auction market permit may be cancelled upon notice from the board if the operation does not meet the requirements of LAC 7:11711.

E. Duties of an Auction Veterinarian and/or State-Federal Personnel

The duties of an auction veterinarian and/or state-federal personnel will be:

1. To represent the board in the enforcement of LAC 7:11711.

2. To observe all livestock being offered for sale and to detect any showing or visible symptoms of disease so that these animals may be observed by a veterinarian and could be rejected and returned to the owner's premises.

3. To draw blood samples on all cattle for testing by state-federal personnel for brucellosis as provided for in this regulation.

4. To vaccinate all livestock as provided for in this regulation.

5. To examine certificates covering livestock to be sold or exchanged through the livestock auctions when such certificates are required.

6. To make such reports as may be required by the state veterinarian to the board.

7. It will be the responsibility of the auction market to employ an accredited veterinarian to issue health certificates as required.

8. The auction veterinarian and/or state-federal personnel may determine the age of cattle tested for brucellosis and sold through livestock auctions and auction market personnel will indicate by paint mark on the hip, as follows:

a. 1 through 5

b. F (Full Mouth) or FM

c. S (Smooth Mouth)

d. O (Broken Mouth)

F. Sanitary Requirements

1. After the occurrence of an infectious or contagious disease in a livestock auction market, it must be cleaned and disinfected in an approved manner with a disinfectant before livestock will be permitted to enter the establishment for any purpose.

2. Representatives of the board shall have full authority to require auction operators to make specific changes to improve sanitation.

3. Floors of all swine pens and runs must be of concrete and properly drained and must be thoroughly cleaned and disinfected with an approved disinfectant after each sale.

G. General Livestock Health Requirements

1. All livestock auction markets shall be prohibited from selling or offering for sale any animal that manifests symptoms of illness unless such animal is to be sold for immediate slaughter. These diseased and exposed animals, except brucellosis reactors which are specifically governed by LAC 7:11711(G)(2), shall be immediately isolated, and identified and returned, under quarantine, directly to the premises of the original owner at the owner's expense; consigned directly to a recognized slaughter establishment maintaining meat inspection; or consigned directly to a rendering plant.

2. All brucellosis reactor cattle shall be branded with the letter "B" on the left jaw and all brucellosis exposed cattle shall be identified with a three inch hot brand on the left jaw with the letter "S" and all reactor and exposed cattle shall be separated from other cattle, placed in separate quarantine pens or stalls identified by quarantine sign, and shall be sold to an approved slaughter establishment for immediate slaughter only. Exposed cattle may be sold to state-federal approved quarantined feedlots.

3. The Livestock Sanitary Board, U. S. Department of Agriculture, auction operator and auction veterinarian are not responsible for losses or injury incurred by livestock while carrying out the requirements of this regulation at livestock auction markets.

4. Livetock purchased for immediate slaughter only, and thereby exempted from one or more health requirements of this regulation cannot be diverted for any other purpose. Any person who violates this provision is subject to prosecution.

5. Auction operators will be in violation of the board's regulations if livestock that is to be sold for immediate slaughter is sold to anyone other than authorized buyers.

§11711. Livestock Dealer General Requirements

A. Louisiana livestock dealers may become approved provided the following requirements are met:

1. The facilities are adequate and maintained in a satisfactory condition.

2. The dealer agrees to clean and disinfect the facilities at least once each month with an approved disinfectant.

3. Records of all sales and purchases must be maintained for at least 12 months and made available to representatives of the board upon request. Livestock dealers who are not approved will be governed by LAC 7:11733 for cattle.

B. The dealer shall furnish the purchaser with an official health certificate on all animals sold. This certificate must show that the animals are healthy, free from symptoms of infectious, contagious and communicable disease, and have met the specific requirements stated in this regulation.

C. All livestock moving into the State of Louisiana must meet federal interstate requirements; the requirements of LAC 7:11705 governing the admission of livestock into the state; and the requirements of the state of destination.

D. Failure of an approved livestock dealer to meet the requirements of this and other regulations of the board will result in the revoking of his approval and he will be subject to prosecution as provided in R.S. 3:2096.

§11713. Disposal of Garbage

A. All public and private establishments from which garbage is produced shall be required to furnish the board with information as to the manner by which garbage is disposed of, and must furnish names and addresses of those persons, firms and corporations collecting and/or disposing of the garbage.

B. All garbage disposal operations must be operated in a sanitary manner and in a way that will not place animal or human health in jeopardy, nor shall it create a public nuisance. Such operations must be in full compliance with other regulations of the board and State Department of Health requirements.

§11715. Rendering Plant

A. Permit

1. No person shall operate a rendering plant without first obtaining a permit to operate from the board.

2. Upon receipt of application for permit, the board shall make a thorough inspection of the rendering plant, its equipment and general sanitation. If found satisfactory, the board shall issue to the applicant a permit to operate.

3. The permit shall be issued to the person responsible for the operation of the rendering plant and shall not be transferable.

4. The management shall furnish, upon request, to the board an up-to-date list of establishments from which dead animals or animal by-products are regularly collected.

B. Vehicles and Containers

1. Vehicles and containers used in the transportation of dead animals or offal used in a rendering plant shall meet the following requirements:

a. The body of the vehicle used to transport carcasses must be constructed of, or lined with, metal in such a way it is watertight, and no leakage or drainage may escape from the vehicle.

b. The body of the vehicle shall have sides constructed of, or lined with, metal and shall not be less than 24 inches high to prevent the escape of any material.

2. Any vehicle used for hauling dead animals or offal shall be provided with a tarpaulin or other tight covering to shut off from view all such dead animals or offal, and said conveyance shall not stop by the way unless detained by unavoidable circumstances.

3. All vehicles and containers shall be thoroughly cleaned and disinfected after each trip with a disinfectant approved by the board or by live steam.

C. General Sanitation

General sanitation in the operation of a rendering plant shall meet the following requirements:

1. Incoming dead animals, offal and all other rendering material shall be processed immediately.

2. The finished products shall be handled and stored in such a manner as to avoid contamination.

3. Disposal of waste materials shall be done in a satisfactory manner.

§11717. Requiring the Reporting of Contagious Diseases

A. In order to improve the protection of the livestock industry from the effects of contagious diseases of livestock, all veterinarians licensed in the State of Louisiana are required to report to the state veterinarian, by telephone or wire within 24 hours after diagnosis or tentative diagnosis, the occurrence or suspected occurrence of the following contagious diseases: hog cholera, anthrax, vesicular condition, scabies, equine encephalomyelitis or any other disease condition which may seriously threaten the welfare of the livestock and poultry industry.

B. Reports should include:

1. the name and address of the owner;

2. the location of the premises;

3. the morbidity and mortality rate at the time of reporting;

4. the number of susceptible animals in the immediate area; and

5. the approximate number of livestock or poultry exposed.

C. Reports of disease outbreaks shall not be released to the press until after they have been reported to the state veterinarian.

D. Livestock owners who suspect the occurrence of contagious disease should immediately contact the local practicing veterinarian or the area veterinarian, district veterinarian or county agent who, in turn, will be responsible for reporting to the state veterinarian.

E. An investigation of the reported contagious disease will be made by representatives of the board, preferably with the veterinarian who reported the disease. If necessary to protect the livestock industry, a quarantine will be imposed on involved and exposed herds and the quarantine will remain in effect until the threat to the livestock industry has been removed.

§11719. Intrastate Manufacture, Sale or Distribution of Animal Vaccines

A. No person, firm, association or corporation shall manufacture, sell or distribute any animal vaccine within the State of Louisiana unless such person, firm, association or corporation can prove to the board that he is currently the holder of a valid federal license to manufacture, sell or distribute such animal vaccine, except as provided hereinafter.

B. The board shall authorize the intrastate manufacture, sale or distribution of animal vaccines on an individual basis to meet emergency situations within the State of Louisiana under special permit of the state veterinarian, provided that no special permit for the intrastate manufacture, sale or distribution of animal vaccines shall be issued by the state veterinarian except under the authorization of the board.

C. The board reserves the right to prohibit the intrastate manufacture, sale or distribution of animal vaccines which, in the judgment of the board, would be detrimental to any phase of the livestock and/or animal health industries of the state.

D. The board shall distribute, through the state veterinarian, on an annual basis, no later than December 31 of each year, a complete list of all vaccines which are prohibited for use within Louisiana, and such list shall be available to any interested person who makes request therefor.

§11721. Tuberculin Tests

A. Report of Tuberculin Tests

A report of all tuberculin tests, including the individual identification of each animal by ear tag number or tattoo, age, sex and breed, and a record of the size of the responses, shall be submitted in accordance with the requirements of the cooperating state and federal officials.

B. Tuberculin Test Interpretation

1. Reactor "R": Animals showing a circumscribed swelling 5 mm in diameter (3/16 of an inch) (P_1) or a diffuse swelling twice as thick as the normal caudal fold (X_2) or greater response to tuberculin on routine test should be classified as reactors unless in the professional judgment of the testing veterinarian a suspect classification is justified.

2. Suspect "S": Animals showing a response to tuberculin not classified as reactor with the exception noted below.

3. Negative "N": Animals showing no response to tuberculin.

§11723. Cooperation with USDA, APHIS, Veterinary Services

Upon determination by the state veterinarian of the existence of any infectious and contagious diseases, he is authorized to cooperate with the United States Department of Agriculture, APHIS, Veterinary Services, in the eradication of such diseases.

§11725. Waste Food Processing Unit

A. Permit

1. No person shall operate a waste food processing unit unless first obtaining a permit from the board.

2. Upon receipt of an application for a permit, a representative of the board shall make a thorough inspection of the premises and equipment and if found satisfactory, the board shall issue a permit to the applicant at its discretion.

3. The permit shall be issued to the person responsible for the operation and this permit shall not be transferable.

4. The waste food processor shall furnish the board, upon request, an up-to-date listing of establishments from which waste food is collected and individuals or establishments to which processed feed is sold or otherwise disposed.

B. Vehicles and Containers

1. Vehicles and containers used in the transportation of waste food to the processing unit shall meet the folllowing requirements:

a. The body of the vehicle used to transport waste food must be constructed of or lined with metal or other equally good impervious material in such a way that it is leak-proof so that the waste matter will not escape from the vehicle.

b. Any container used to haul waste shall be in good condition, leak-proof with a tight lid during transit and storage.

c. All vehicles and containers shall be thoroughly cleaned and disinfected after each trip by live steam or with approved disinfectant approved by the board.

C. General Sanitation

General sanitation in the operation of a processing unit shall meet the following requirements:

1. Incoming waste material shall be processed immediately.

2. The finished product shall be handled and stored in such a manner as to avoid contamination from other sources or from the unfinished product.

3. Feeding and processing will not be allowed on the same premises unless a sufficient distance is maintained between the processing area and feeding area to prohibit the introduction of any unprocessed waste material into the feeding area. This will be determined by a representative of the board.

4. Disposal of inedible materials shall be done in a satisfactory manner in order to maintain good sanitation and animal husbandry practices.

§11727. Conditions for Issuing a Quarantined Feedlot Permit

A. The operation must not constitute a health hazard to livestock on surrounding premises, or create a public nuisance.

B. The operator must agree to abide by the provisions of this regulation and all other regulations of the board and United States Department of Agriculture governing such operations and movements.

§11729. Source and Amount of Indemnification

Indemnities may be paid by either the state or federal government. When indemnities are paid by the State of Louisiana, the amount of the payments shall be set by motion of the board and information concerning the level of indemnification shall be made available to all producers of livestock and dairymen.

Subchapter B. Cattle

§11731. Admission of Cattle into Louisiana

All cattle entering the state must meet the general requirements of LAC 7:11705 and the following specific requirements:

A. Tuberculosis Requirements

All cattle over one year of age must show a negative test for tuberculosis within 30 days prior to entry. The date and results of the test and the individual identification of each animal must be recorded on the health certificate. The following are exempt from this requirement:

1. Cattle that originate from a tuberculosis free accredited herd; however, they must be individually identified and the accredited herd number furnished on the health certificate.

2. Cattle that originate from a tuberculosis free state or from a negative herd, not under quarantine, in a modified-accredited tuberculosis free state or area.

3. Cattle consigned to a recognized slaughter establishment or to an approved livestock auction market to be sold directly for immediate slaughter only.

B. Brucellosis

1. In addition to the above requirements, cattle entering Louisiana must meet the brucellosis requirements found in part 78 of the Code of Federal Regulations.

2. No cattle from brucellosis quarantined herds may move into Louisiana except those cattle moving to an approved livestock auction market or to an approved slaughter establishment and accompanied by the required federal Form VS 1-27.

3. As of January 1, 1982, all female calves and cows born after January 1, 1982, that are four months of age or older, must be official brucellosis vaccinates to be eligible to be brought into Louisiana for any purposes other than slaughter. An exception to this rule is cattle entering the state for exhibition purposes to be returned to the state of origin.

§11733. Admittance of Louisiana Cattle to Fairs, Livestock Shows, Breeders' Association Sales and Rodeos Held in Louisiana

All cattle consigned to fairgrounds, livestock show grounds, sale grounds and rodeos must meet the general requirements of LAC 7:11707 and the following specific requirements (Note: The word "cattle" as used in this regulation refers to cattle for exhibition and/or sale and the nurse cows that may accompany them.):

A. Brucellosis

1. No cattle from brucellosis quarantined herds or brucellosis quarantined areas are allowed to be exhibited in the State of Louisiana or consigned to breeders' association sales in Louisiana.

2. As of January 1, 1982, all female calves and cows born after January 1, 1982, that are four months of age or older, must be officially vaccinated for brucellosis to be eligible to be shown in Louisiana.

3. All cattle over 12 months of age must be negative to the brucellosis card test within 30 days prior to admission to fairs, shows or breeders' association sale grounds. The date and results of the test and individual identification of each animal must be recorded on the official health certificate. Exceptions to LAC 7:11733(A)(3) are:

a. Individually identified officially calf vaccinated female

cattle under 20 months of age for dairy breeds and under 24 months of age for beef breeds which are not parturient or post-parturient. The vaccination tattoo must be recorded on the official health certificate.

b. Steers and spayed heifers.

4. Individually identified cattle originating in and moving directly from a certified herd. The certified herd number must be recorded on the health certificate.

B. Tuberculosis

All cattle must originate from herds not under quarantine for tuberculosis.

§11735. Livestock Auction Market Requirements

All cattle which are sold or offered for sale in livestock auction market must meet the general requirements of LAC 7:11709 and the following specific requirements:

A. Brucellosis

1. Cattle from quarantined herds or from non-qualified herds from quarantined areas are not eligible for sale in the State of Louisiana except as provided in LAC 7:11749 which governs brucellosis quarantined herds.

2. All cattle that are offered for sale through Louisiana livestock auction markets must be identified by a white official backtag; those animals two years of age and older shall have this official backtag placed immediately behind the shoulder of the animal. The market shall furnish and make immediately available to Livestock Sanitary Board's official representative a copy of each check-in slip showing the name and address of each consignor and the official backtag numbers applied to the consignor's livestock.

3. All cattle 18 months of age and over that are offered for sale must be further identified by an official metal tag and must be tested for brucellosis. Exceptions to LAC 7:11735(A)(3) are:

a. Steers and spayed heifers.

b. Cattle consigned from quarantined feedlots that are "S" branded and permitted prior to shipment to the auction barn.

c. Official calfhood vaccinates less than 24 months of age that are not pre-parturient or post-parturient.

4. All nonvaccinated heifer calves between four and 12 months of age will be vaccinated with USDA Approved Brucellosis Strain 19 vaccine prior to being sold. All non-vaccinated heifer calves and cows born after January 1, 1982 that are over 12 months of age must be "S" branded and sold to a quarantined feedlot or slaughter establishment and shall be accompanied by Form VS 1-27.

5. Disposition of animals tested at an auction market:

a. Reactor animal(s) (either vaccinated or non-vaccinated) disclosed must be branded with a three inch hot brand on the left jaw, tagged and removed to slaughter with a properly executed Form VS 1-27.

b. Suspect animal(s) (either adult or calfhood vaccinated) disclosed along with any nonvaccinated animals can be "S" branded and sold for slaughter or at the owner's choice returned to the farm of origin under quarantine for retest in no less than 60 days. Vaccinated animals (either adult or calfhood vaccinated), which are negative to test in the same consignment, may move without restriction.

c. All exposed animals in a consignment must be "S" branded for removal to slaughter or, at the owner's choice, returned to the farm of origin under quarantine.

6. Cattle originating from brucellosis quarantined herds shall be identified by eartag and branded with a three inch hot "S" brand on the left jaw and accompanied by a properly executed Form VS 1-27. The branding and the issuance of Form VS 1-27 will be completed on the farm of origin prior to movement. The Form VS 1-27 will be delivered to authorized representatives at the livestock auction market. In cases where it is impractical to have the exposed cattle branded on the farm of origin, the state veterinarian can authorize the movement of the cattle to the livestock auction market and the branding be accomplished at this point.

a. Cattle from brucellosis quarantined areas may be moved to Louisiana livestock auction markets on a permit. These animals will be "S" branded after arrival at the Louisiana livestock auction market.

b. Cattle from quarantined areas and from brucellosis quarantined herds must be sold to approved slaughtering establishments or to an approved quarantined feedlot. Exceptions to LAC 7:11735(A)(6)(b) are:

i. Steers and spayed heifers over six months of age.

ii. Heifers that are official vaccinates and under 12 months of age and under an approved herd plan may move without restrictions.

iii. Bull calves under six months of age that are nursed by brucellosis reactor or exposed cows may move from the quarantined premises under permit provided they have been weaned for not less than 30 days immediately preceding movement.

7. When brucellosis reactors are found in a consignment, all remaining negative cattle in the consignment are considered exposed and shall be handled by one of the following ways:

a. The exposed cattle shall be identified by a three inch hot brand on the left jaw with the letter "S" and sold directly to a recognized slaughter establishment for immediate slaughter or to a state-federal approved quarantined feedlot and shall be accompanied by Form VS 1-27.

b. The exposed cattle may be identified by yellow paint mark on the left ear and returned to the original owner's premises under quarantine. All such movements will be accompanied by a quarantine notice listing the ear tag and auction tag identification numbers of the animals moving to Louisiana farms. Exceptions to LAC 7:11735(A)(7)(b) are:

i. Steers and spayed heifers over six months of age.

ii. Brucellosis vaccinated heifers between the ages of four and 12 months that originate from quarantined herds that are participating in an approved herd plan to eliminate brucellosis from the herd.

§11737. Governing the Sale of Cattle in Louisiana by Livestock Dealers

All cattle which are sold or offered for sale by livestock dealers must meet the general requirements of LAC 7:11711 and the following specific requirements:

A. Brucellosis

1. No cattle may be sold or purchased from brucellosis quarantined herds except as provided for in LAC 7:11749.

2. All cattle 18 months of age and over, as evidenced by the presence of the first pair of permanent incisor teeth, including animals under these ages which are parturient or post-parturient, must be negative to the brucellosis card test within 30 days prior to sale. The date and results of the test and individual identification of each animal must be recorded on the official health certificate. Exceptions to LAC 7:11737(A)(2) are:

a. Steers and spayed heifers.

b. Individually identified official brucellosis calfhood vaccinated heifers under 20 months of age for dairy breeds and under 24 months of age for beef breeds, which are not parturient or post-parturient, that originate in and move directly from a herd known not to be infected. The vaccination tattoo must be recorded on the health certificate.

c. Individually identified cattle originating in and moving directly from a brucellosis free certified herd. The certified herd number must be recorded on the health certificate.

3. All female cattle over four months of age born after January 1, 1982 must be vaccinated with USDA Approved Brucellosis Strain 19 vaccine prior to being sold. All female cattle born after January 1, 1982 that are over 12 months of age must be "S"

branded and sold to a quarantined feedlot or slaughter establishment. These animals must move on a Form VS 1-27.

4. Cattle over six months of age originating in brucellosis quarantined areas must originate from qualified herd (known not to be infected), and must pass a negative card test for brucellosis not less than 30 days from the date of herd qualification and within 30 days of the date of sale. The date and results of the test and individual identification of each animal must be recorded on the official health certificate.

5. All untested cattle 20 months of age and over for dairy breeds and 24 months of age and over for beef breeds as evidenced by the presence of the first pair of permanent incisor teeth, purchased from herds not known to be infected with brucellosis, must be tested within 24 hours of purchase by an accredited veterinarian. Failure to test within 24 hours of assembly will result in all cattle assembled to be considered exposed if brucellosis reactors are found in any of the cattle. In instances where brucellosis reactors are found and the animals have not been assembled for more than 24 hours, only the cattle originating from the same herd must be identified as exposed cattle by a three inch hot brand on the left jaw with the letter "S". The reactor and exposed cattle shall be separated from all other cattle and placed in quarantine pens identified as such by conspicuously placed signs.

a. The movement of such cattle shall be restricted to:

i. Reactor cattle must be sold directly to approved slaughter establishments or to an approved livestock auction market for sale to such slaughtering establishments.

ii. Exposed cattle may be moved to an approved slaughter establishment or to state-federal approved quarantined feedlot, or to an approved livestock auction market for sale for slaughter or movement to an approved state-federal quarantined feedlot.

iii. Calves six months of age and under from negative cows may move under permit within 10 days after a negative brucellosis test of the dam.

iv. Calves under six months of age that are nursed by brucellosis reactor or exposed cows may move from the quarantined premises under permit provided they have been weaned for not less than 30 days immediately preceding movement.

B. Tuberculosis

No cattle shall be purchased from tuberculosis quarantined herds unless moving directly to slaughter and must be "S" branded and accompanied by Form VS 1-27.

§11739. Governing the Sale and Purchase, Within Louisiana, of All Livestock Not Governed by Other Regulations (Brucellosis Requirements)

A. It is a violation of this regulation to sell breeding type cattle, not governed by other regulations of the Livestock Sanitary Board, in Louisiana for any purpose other than immediate slaughter unless they are accompanied by a valid 30-day negative brucellosis test certificate. No cattle may be sold from brucellosis quarantined herds except as provided for in LAC 7:11749.

B. It is a violation of this regulation to purchase cattle in Louisiana, not governed by other regulations of the Livestock Sanitary Board, for any purpose other than immediate slaughter unless they are accompanied by a valid 30-day negative brucellosis test certificate. All heifer calves born after January 1, 1982 that are four months of age or older must be official brucellosis vaccinated to be eligible to be sold for purposes other than slaughter or to a quarantined feedlot.

C. Exceptions to the brucellosis testing requirements of this regulation are:

1. Cattle originating directly from a certified brucellosis free herd, if accompanied by a signed statement from the consignor, giving his name, address, certified herd number and individual identification of each animal.

2. Steers and spayed heifers.

§11741. Governing the Sale and Use of Brucella Abortus Antigen

A. The sale and use of brucella abortus antigen manufactured for the purpose of detecting brucellosis in animals shall be restricted to Louisiana accredited veterinarians and laboratory technicians authorized by the Livestock Sanitary Board.

B. All manufacturers, biological houses and their distributors shall be required to submit to the Livestock Sanitary Board a copy of the invoices for all sales of brucella abortus antigen into or within the State of Louisiana.

C. All cattle tested for brucellosis shall be individually identified by official ear tag, individual tattoo and/or brand number (identification such as chain numbers is not acceptable).

D. Veterinarians conducting brucellosis card agglutination tests, either on a private basis or under the state-federal brucellosis eradication program, must submit all blood samples and all used cards to the state-federal brucellosis testing laboratory for confirmation. The samples shall be accompanied by the proper state-federal forms.

§11743. Governing Identification and Movement of Cattle Reacting to the Brucellosis Test

A. All cattle showing a positive reaction to the brucellosis test shall be immediately branded on the left jaw with a hot "B" brand no less than three inches in height. In addition, a reactor tag shall be placed in the left ear. (Reactors should be slaughtered as soon as possible; however, slaughter may be delayed for 45 days after the date of test provided the animals have been identified and branded and separated from the remainder of the herd. A 45-day delay in slaughter of brucellosis reactors nullifies owner's eligibility for federal indeminity which requires slaughter within 15 days from the date the animal is tagged and branded as a reactor.)

B. All brucellosis reactors moving from the quarantined premises must be accompanied by Form VS 1-27. These movements shall be limited to slaughter establishments specifically approved to handle brucellosis reactors or to approved livestock auction markets to be offered for sale specifically to approved slaughter establishments only.

§11745. Governing the Sale and Use of Brucella Abortus Vaccine

A. The sale and use of brucella abortus vaccine shall be restricted to Louisiana accredited veterinarians and to Livestock Sanitary Board approved non-veterinary personnel who administer the vaccine under the supervision of state-federal veterinarians.

B. Biological supply houses and their distributors are hereby required to send to the Livestock Sanitary Board a copy of the invoices on all shipments of brucella abortus vaccine into and within the State of Louisiana.

C. Veterinarians, drug stores, biological houses and all other wholesale and retail distributors of brucella abortus vaccine who sell brucella abortus vaccine to persons other than Louisiana accredited veterinarians shall be prosecuted as prescribed by state law.

D. Brucella abortus vaccine will be administered in accordance with the method approved by the United States Department of Agriculture.

E. Calfhood Vaccinations of Heifers

1. All heifer calves in Louisiana must be calfhood vaccinated between four and 12 months of age with the reduced dose Brucella Strain 19 vaccine. All heifer calves must be permanently identified as vaccinates by tattoo and individually by ear tag in right ear applied at the time of vaccination. The vaccination of heifer calves for brucellosis will make them eligible to be sold or moved from property owned or leased by the owner of the cattle.

2. Calfhood vaccination of heifers may be done on the farm or at a livestock auction market. However, it must be done prior

to the auction market sale. Any female cattle that are born after January 1, 1982 that are over 12 months of age that are not official brucellosis vaccinates must be "S" branded and sold for slaughter or to a quarantined feedlot. Any calves or cows brought into Louisiana must meet the same brucellosis vaccination requirements that apply to calves and cows raised in Louisiana.

F. Adult Vaccination of Cattle for Brucellosis

1. Adult vaccination of female cattle 12 months old or older for brucellosis may be performed on an individual herd plan by state or federal veterinarians provided the owner signs the official agreement to comply with the following provisions:

a. Test of entire herd and removal of brucellosis reactors with brucellosis vaccination completed within 10 days following herd test and removal of brucellosis reactors.

b. All animals vaccinated as adults will be identified with an official AV tattoo in the right ear preceded by the quarter of the year and followed by the last digit of the year as well as the official metal ear tag (or individual animal registration tattoo or individual animal registration brand) and plastic bangle tag, which are to be correlated on test records with the official ear tag.

c. Animals so vaccinated will be quarantined and tested on the schedule established in the herd plan. The quarantine will be released when the herd has a negative test at least 120 days after the last reactor is removed from the herd. Exceptions to this regulation are steers and spayed heifers over six months of age.

2. Guidelines to conduct a referendum which would make brucellosis testing and brucellosis vaccination of all adult cows mandatory on a parish-wide basis:

a. The referendum shall be conducted by the Livestock Sanitary Board in conjunction with the cattle producers' organizations. The referendum will be held within 90 days after issuance of the call for the referendum. All producers of cattle in the affected area shall be eligible to participate in the referendum.

b. At the referendum, the question of total mandatory vaccination of all adult cattle in the area along with the brucellosis testing requirements of the cattle shall be submitted to a vote of all producers of cattle in the area.

c. If a majority of the eligible cattle producers vote in favor of mandatory vaccination of all adult cattle in the area, all producers of cattle in the area shall be required to test and vaccinate all adult cattle.

d. The following herds could be exempt from the adult vaccination requirements at the owner's request, should the referendum be held and the cattle producers vote in favor of it:

i. certified brucellosis free herds;

ii. herds that test negative for brucellosis and all the cows in the herd are official calfhood vaccinates;

iii. herds of registered cattle; and

iv. dairy herds identified as having negative ring test.

§11747. Establishing the Official Tests for Brucellosis in Cattle

A. Screening Test

1. Milk Ring Test (BRT)

This test is conducted by the state-federal laboratory on a composite sample of milk collected at dairy farms. A follow-up individual serological test shall be conducted on all cattle represented in a composite sample which reacts to the test.

a. A commercial dairy herd that has passed four consecutive, negative milk ring tests within the last 12 months, the tests being no less than two months or more than four months apart, will be considered a negative herd and will not be required to be blood tested as long as the herd continues to have milk ring tests four times each year, the tests being no less than two months or more than four months apart, and the results of the tests remain negative.

b. A commercial dairy herd showing a positive milk ring test will be considered brucellosis infected and will be quarantined and blood tested. The brucellosis status of the herd will then be determined by the results of the blood test which shall be conducted within 30 days of official notification.

2. Card Test

This test will be used by approved personnel to classify cattle negative on surveillance samples collected at slaughter or at livestock auction markets, on routine samples collected on farms and on tests of suspicious and infected herds. Positive samples from brucellosis vaccinated animals will be given supplemental testing when possible to aid in classification of cattle as reactors.

B. Supplemental Tests

1. Standard Plate Agglutination Test

This test may classify cattle as negative, suspect or reactors.

2. Rivanol Test

This test may classify cattle as negative or reactor.

3. Complement Fixation Test

This test may classify cattle as negative, suspect or reactor.

C. Animal or Herd Status

Status of an animal or herd will be determined by a trained epidemiologist, when possible. This decision will be based on the interpretation of all tests, the history of the herd status of surrounding herds, vaccination history and all other pertinent information.

§11749. Governing the Testing of Cattle In and the Movement of Cattle from Brucellosis Quarantined Herds

A. Testing of Cattle in Quarantine Herds

1. Within six months of the date the quarantine was issued, an exposed herd will be tested at a date agreed upon by the owner or his representative and an authorized agent of the Livestock Sanitary Board. If a date to test an exposed herd cannot be agreed upon, the state veterinarian will establish a date to test the exposed herd and notify the owner in writing 30 days prior to the date established. An exposed herd will remain under quarantine and be tested until it has passed one complete negative test. When more than one herd test is required to obtain a complete negative test, the test date will be established by the procedures used to establish the initial herd test.

2. An infected herd will be tested on a schedule established in an approved herd plan or be tested at intervals of 60 days or less. The herd will be tested and continue to be classified as infected and under quarantine until it has passed one complete negative test not less than 30 days following the date the last reactor was removed from the herd, and, in addition, a record negative herd test no less than 120 days from the date the last reactor was removed from the herd.

B. Movement of Cattle from Quarantined Herds

1. Brucellosis reactors disclosed in a quarantined herd will be:

a. "B" branded on the left jaw;

b. Identified with a reactor tag; and

c. Removed from the herd and sold directly to slaughter or to an approved stockyard for sale to slaughter within 45 days from the date the animal is classified as a brucellosis reactor.

2. All cattle over 12 months of age other than brucellosis reactor will be "S" branded and identified prior to movement from the quarantined premises by an authorized agent of the Livestock Sanitary Board. In cases where it is impractical to have the exposed cattle branded on the farm of origin, the state veterinarian can authorize the movement of cattle from quarantined herds to a livestock auction market and the branding and identification be accomplished at this point.

C. All movement from brucellosis quarantined herds must be accompanied by a Form VS 1-27 listing the individual identification of each animal to be moved. This form must be delivered

to an authorized representative at destination. These permits will be issued by an agent of the Louisiana Livestock Sanitary Board.

D. All intrastate and interstate movements from brucellosis quarantined herds are restricted to an approved slaughtering establishment for immediate slaughter, directly to an approved quarantined feedlot, or to an approved livestock auction market for sale to an approved slaughtering establishment or quarantined feedlot. (Brucellosis reactors must be sold for slaughter only, either directly to an approved slaughtering establishment or through an approved livestock auction market for sale to such establishment.) Exceptions to LAC 7:11749(D) are:

1. Steers and spayed heifers over six months of age.

2. Heifer calves under 12 months of age that are official calfhood vaccinates, and they originate from herds participating in an approved herd plan to eliminate brucellosis from the herd.

3. Bull calves under six months of age that are nursed by brucellosis reactor or exposed cows may move from the quarantined premises under permit provided they have been weaned for not less than 30 days immediately preceding movement.

§11751. Governing Quarantined Cattle Feedlots

A. Permit Required

No person may operate a quarantined cattle feedlot without first obtaining a permit from the Livestock Sanitary Board. Any person operating a cattle feedlot without a valid permit will be in violation of this regulation and subject to prosecution.

B. Conditions for Issuing a Quarantined Feedlot Permit

1. The operation must not constitute a health hazard to livestock on surrounding premises, or create a public nuisance.

2. The operator must agree to abide by the provisions of this regulation and all other regulations of the Livestock Sanitary Board and United States Department of Agriculture governing such operations and movements.

C. Requirements for Operation of Quarantined Feedlots

1. All cattle must be maintained separately and apart from all other cattle. There can be no fence-line contact with cattle not in the quarantined feedlot. An exception to this requirement are steers and spayed heifers.

2. Complete records must be maintained on all transactions showing dates, identification, origin and disposition of each animal. These records shall be made available to state-federal personnel upon receipt.

3. All male and female cattle except steers and spayed heifers must be "S" branded prior to or on arrival at the feedlot.

4. Necessary facilities and personnel shall be provided to enable state-federal personnel to "S" brand cattle and to determine the identification of animals that are being permitted to a slaughter establishment quarantined feedlot, to a stockyard to be sold for slaughter or to another quarantined feedlot.

5. All cattle movements from a quarantined feedlot must be on a Form VS 1-27 or similar document issued by state-federal personnel and shall be consigned directly to a slaughtering establishment operating under approved state or federal meat inspection, to a quarantined feedlot, to a stockyard to be sold to a slaughter establishment or to a quarantined feedlot.

6. All tuberculosis exposed animals shall be fed and maintained as a group and shall not be allowed to mix with other animals in the feedlot.

7. Feeder calves under 12 months of age from tuberculosis quarantined herds will be required to be negative to a tuberculin test within 60 days prior to shipment to the feedlot.

8. Animals will be permitted to Louisiana livestock auction markets for sale for slaughter or to a quarantined feedlot providing no tuberculosis exposed animals are received or fed on feedlot premises.

D. Cancellation of Quarantined Feedlot Permit

A quarantined feedlot permit may be cancelled upon written notice that the operation does not meet the requirements of this regulation, or has violated one or more provisions of this regulation.

§11753. Governing the Establishment and Maintenance of Tuberculosis-Free Accredited Herds and Modified Accredited Areas

A. Quarantine Procedures and Disposition of Movement From Quarantined Herds

1. All herds in which reactor animals are disclosed shall be quarantined. All animals in a mycobacterium bovis herd shall be tested.

2. Reactors must remain on the premises where disclosed until a state or federal permit has been obtained. Movement for immediate slaughter must be direct to a slaughter establishment where approved state or federal inspection is maintained within 15 days of classification. Upon delivery to the slaughtering establishment, reactors shall be slaughtered as soon as practicable.

3. No animals classified as a reactor shall be retained.

4. Suspects to the tuberculin test shall be quarantined to the herd where found or shipped under permit to slaughter in accordance with the state and federal laws and regulations. Suspects to the caudal fold tuberculin test shall be quarantined to the premises where found until:

a. retested by the comparative-cervical tuberculin test within 10 days of the caudal fold injection;

b. retested by the comparative-cervical tuberculin test after 60 days; or

c. shipped under permit direct to slaughter in accordance with state and federal laws and regulations.

5. Exposed animals must remain on the premises where disclosed unless a state or federal permit has been obtained. Movement for immediate slaughter must be direct to a slaughtering establishment where approved state or federal inspection is maintained.

6. Sale of feeder calves from quarantined herds will be restricted. Feeder calves under 12 months of age that have passed a tuberculin test within 60 days of movement may be permitted to move intrastate to a quarantined feedlot.

7. Herds in which mycobacterium bovis infection has been disclosed shall remain under quarantine and must pass two tuberculin tests at intervals of at least 60 days and one additional test after six months. Minimum quarantine period shall be 10 months from slaughter of lesion reactors. A case will be considered "mycobacterium bovis infection" when a pathologic (granulomatous) lesion in cattle suspected of being tuberculosis is found and confirmed in an accredited laboratory.

8. Herds in which NGL reactor(s) only occur and no evidence of mycobacterium bovic infection has been disclosed may be released from quarantine after a 60 day retest on the entire herd.

9. In herds where mycobacterium bovis infection has been confirmed but the herd not depopulated, five annual tests on the entire herd followed by two tests at three year intervals shall be applied following the release of quarantine.

10. In herds with history lesions suspicious of bovine tuberculosis (not confirmed), two complete annual herd tests shall be applied after release of quarantine; the first test to be applied approximately one year after release of quarantine.

11. In a newly assembled herd on a premises where a tuberculous herd has been depopulated, two annual herd tests shall be applied to all cattle; the first test to be applied approximately six months after assembly of the new herd. These tests shall be followed by two complete herd tests at three year intervals.

B. Accredited Herd Plan

1. Testing of herds for accreditation or re-accreditation shall

include all cattle over 24 months of age and any animals other than natural additions under 24 months of age. All natural additions shall be individually identified and recorded on the test report as members of the herd at the time of the annual test.

2. Herd additions must originate directly from one of the following:

a. accredited herd;

b. herd in an accredited free state;

c. herd in a modified accredited area that has passed a herd test of all animals over 24 months of age within 12 months and the individual animals for addition were negative to the tuberculin test conducted within 60 days;

d. herd in a modified accredited area not meeting requirements of a, b, or c of this Subsection, individual animals for addition must pass a negative test within 60 days prior to entering the premises of the accredited herd and must be kept in isolation from all members of the accredited herd until negative to a test conducted after 60 days of date of entry.

Animals added under b, c, or d shall not receive accredited herd status for sale purposes until they have been members of the herd at least 60 days and are included in a herd retest.

3. To qualify for accredited herd status, the herd must pass at least two consecutive annual tuberculin tests with no evidence of bovine tuberculosis disclosed. All animals must be bonafied members of the herd. Qualified herds may be issued a certificate by the local state and federal officials. The accreditation period will be 12 months (365 days) from the anniversary date and not 12 months from the date of the re-accreditation test. To qualify for re-accreditation, the herd must pass an annual test within a period of 10 to 14 months of the anniversary date.

§11755. Governing the Identification of Cattle with Official Backtags and the Collection of Blood Samples from Officially Backtagged Cattle at Slaughter Establishments Under State or Federal Meat Inspection

A. Official Backtagging of Cattle

All cattle over 24 months of age that are not officially backtagged when received by a slaughter establishment under state or federal meat inspection shall be identified by official backtag, properly placed. The name and address of the consignor, and the name and address of the owner of the herd of origin, if different from that of the consignor, shall be recorded, along with the official backtag numbers, on forms provided for this purpose. A copy shall be retained by the slaughter establishment for their records; the original is to be furnished the meat inspector to accompany blood samples to the laboratory.

The slaughter establishment shall be responsible for the identification of the animals and for maintaining required records.

Exemptions from this regulation are:

1. steers and spayed females;
2. brucellosis branded animals; or
3. brucellosis exposed ("S" branded) animals.

B. Records

All records pertaining to the identification of the cattle, name and address of consignor and the name and address of the owner of the herd of origin, if different from that of the consignor, shall be maintained and made available to representatives of the Livestock Sanitary Board upon request.

C. Blood Sample Collection

A blood sample shall be collected from each head of backtagged cattle over 24 months of age, except steers, spayed females and branded brucellosis reactors. State and federal meat inspection personnel shall be responsible for the collection of the blood samples; the identification of the samples; and the packaging and mailing of the blood samples, corresponding backtags and forms to the state-federal livestock diagnostic laboratory in Baton Rouge, Louisiana.

§11757. Payment of Indemnities

In addition to the general requirements stipulated in LAC 7:11729, the following are specific requirements for the payment of indemnities:

A. Eligibility for Payment

Producers of registered and grade cattle found to be infected with brucellosis and dairymen whose herds are found to be infected with brucellosis shall be eligible for an indemnity payment for each infected animal slaughtered regardless of the point of concentration where the brucellosis is first identified.

B. Source and Amount of Indemnification

Indemnities may be paid by either the state or federal government. When indemnities are paid by the State of Louisiana, the amount of the payments shall be set by motion of the Livestock Sanitary Board and information concerning the level of indemnification shall be made available to all producers of livestock and dairymen.

C. Cattle Owners Not Eligible for Indemnification

No indemnity shall be paid to livestock owners who do not own the cattle 120 days prior to the testing. The owner must prove ownership of the cows tested.

Subchapter C. Horses, Mules and Asses

§11759. General Health Requirements Governing Admission of Horses, Mules and Asses

All horses, mules and asses imported into the state must meet the general requirements of LAC 7:11705 and the following specific requirements:

Horses moving into the State of Louisiana for any purpose other than immediate slaughter or research must be accompanied by record of negative test for equine infectious anemia (coggins test) conducted within the past 12 months. The test must be conducted at an approved laboratory and the case number must appear on the health certificate.

§11761. Admission of Horses, Mules and Asses to Fairs, Livestock Shows, Breeders Association Sales, Rodeos and Racetracks

All horses, mules and asses consigned to fairgrounds, livestock show grounds, sale grounds, rodeos and racetracks must meet the general requirements of LAC 7:11707 and the following specific requirements:

A. It is recommended that all owners have their animals vaccinated against equine encephalomyelitis with bivalent (eastern and western type) vaccine within 12 months prior to entry. It is also recommended that owners have their animals vaccinated against venezuelan equine encephalomyelitis (VEE) before entry.

B. Representatives of the Livestock Sanitary Board will inspect horses at the shows periodically, and any animals showing evidence of a contagious or infectious disease shall be isolated and/or removed from the show.

C. Horses moving into the State of Louisiana to fairs, livestock shows, breeders' association sales, rodeos and racetracks must be accompanied by record of negative test for equine infectious anemia (coggins test) conducted within the past 12 months. The test must be conducted at an approved laboratory and the name of the laboratory and the case number must appear on the health certificate.

D. Horses moving within the state to fairs, livestock shows, breeders' association sales, rodeos and racetracks or other concentration points must be accompanied by record of negative test for equine infectious anemia (coggins test) conducted within the past 12 months. The test must be conducted at an approved laboratory and the name of the laboratory and the case number must appear on the official record.

Horses reacting to the coggins test within the state will be identified by regulatory personnel by hot brand, cold brand, freeze brand or tattoo "72 A". Positive horses will be rebled upon re-

quest, by state employed veterinarians and samples submitted to the laboratory for reconfirmation.

§11763. Governing the Livestock in Louisiana by Livestock Dealers

All horses, mules and asses which are sold or offered for sale by livestock dealers must meet the general requirements of LAC 7:11711 and the following specific requirements:

A. All out-of-state horses offered for sale for movement in Louisiana by livestock dealers must be accompanied by record of negative test for equine infectious anemia (coggins test) conducted within the past 12 months. The test must be conducted at an approved laboratory and the name of the laboratory and the case number must appear on the health certificate.

B. All Louisiana horses offered for sale for movement in Louisiana must be accompanied by record of negative test for equine infectious anemia (coggins test) conducted at an approved laboratory within 12 months of date of sale and the name of the laboratory and the case number must appear on the official record.

§11765. Governing Equine Infectious Anemia

A. Equine Required to be Tested

1. Equine moving into the State of Louisiana for any purpose other than immediate slaughter must be accompanied by record of negative test for equine infectious anemia (coggins test) conducted within the past 12 months. The test must be conducted at an approved laboratory and the name of the laboratory and the case number must appear on the health certificate, as required in LAC 7:11761.

2. Horses moving into the State of Louisiana to fairs, livestock shows, horse shows, breeders association sales, rodeos and racetracks must be accompanied by record of negative test for equine infectious anemia (coggins test) conducted within the past 12 months. The test must be conducted at an approved laboratory and the name of the laboratory and the case number must appear on the health certificate.

Horses moving within the state to fairs, livestock shows, horse shows, breeders' association sales, rodeos, racetracks or other concentration points must be accompanied by record of negative test for equine infectious anemia (coggins test) conducted within the past 12 months. The test must be conducted at an approved laboratory and the name of the laboratory and the case number must appear on the official record.

Horses reacting to the coggins test within the state will be identified by regulatory personnel by hot brand, cold brand, freeze brand or tattoo "72 A". Positive horses will be rebled upon request, by state employed veterinarians and samples submitted to the laboratory for reconfirmation.

3. All out-of-state horses offered for sale at Louisiana livestock auction markets must be accompanied by record of negative test for equine infectious anemia (coggins test) conducted within the past 12 months. The test must be conducted at an approved laboratory and the case number must appear on the health certificate.

All Louisiana horses offered for sale at Louisiana auction markets must be accompanied by record of negative test for equine infectious anemia (coggins test) conducted by an approved laboratory within 12 months of date of sale.

Exceptions to this Subsection are:

a. Horses consigned for immediate slaughter and reconsigned from auction market on Form VS 1-27 to an approved slaughtering establishment. Such animals shall be branded with the letter "S" on the left shoulder prior to leaving the auction market.

b. Untested horses arriving at livestock auction markets may be sold for purposes other than slaughter if a blood sample is drawn for equine infectious anemia testing at buyer's expense before the animal leaves the livestock auction market. This sample must be collected by a private practitioner and submitted to an approved laboratory. If a private practitioner is not available to conduct the test, the state employed veterinarian who is writing health certificates at the auction market may conduct the test and shall charge a fee of $10. This fee will be used to cover expenses for performing tests. Horses may then move from the livestock auction market to the purchaser's premises under quarantine issued by Livestock Sanitary Board personnel until results of coggins test are received. If the animal is found to be positive, it must be properly identified by a permanent identification and will remain under quarantine until sold for immediate slaughter.

B. Collection and Submission of Blood Samples

1. All blood samples for equine infectious anemia testing must be drawn and submitted to an approved laboratory by an accredited veterinarian.

2. Blood samples will be accompanied by Form VS 10-11 "Equine Infectious Anemia Laboratory Test Report" with completed information as to owner's name and address and identification of animal(s).

3. Only serum samples in sterile tubes will be accepted for testing.

C. Testing of Samples Collected

1. Only laboratories approved by the United States Department of Agriculture, Animal and Plant Health Inspection Service, Veterinary Services, shall be authorized to conduct the coggins test for equine infectious anemia in Louisiana.

2. Such laboratories must also receive approval by the Livestock Sanitary Board.

3. Approved laboratories must submit a copy of Form VS 10-11 at the end of each week to the Livestock Sanitary Board office. (Green copy on negative samples and white copy of positive samples.)

4. A fee of $3 shall be charged to the accredited veterinarian for conducting the coggins test at state laboratories. Invoices will be forwarded to the veterinarian monthly for these charges.

D. Identification and Quarantining of Animal(s) Positive to the Coggins Test

1. Animal(s) positive to the coggins test will be quarantined to the owner's premises and kept a minimum distance of 200 yards between the positive equidae and equidae owned by other individuals. If the positive animal(s) is sold, it must be sold for slaughter and a Form VS 1-27 permit must be issued by state personnel to move the animal(s) from the premises to slaughter.

2. Confirmation test of positive animal(s) will be conducted by state employed veterinarians upon request of the owner prior to identification.

3. All animal(s) positive to the coggins test will be properly identified by state personnel with either a "72A" cold brand, hot iron brand or freeze brand on the left shoulder; or be tattooed "72A".

E. Requirements for Permit for Operation of Quarantine Holding Area

1. Any buyer desiring to operate a quarantine holding area must file an application for approval of the facility on forms to be provided by the Livestock Sanitary Board.

2. The facility to be operated as a quarantine holding area must have an area where equine infectious anemia positive and/or "S" branded horses are kept and where such horses are separated by at least 440 yards from all other horses.

3. The facility must be approved by the Livestock Sanitary Board in an inspection of the premises prior to the issuance of the permit.

4. The buyer desiring to operate a quarantine holding area must agree in writing to comply with the rules and regulations of

the Livestock Sanitary Board and to permit inspection of the premises at any reasonable time by the board.

5. No other horses except horses consigned for slaughter may be kept in a quarantine holding area.

6. No horses can be kept in the quarantine holding area longer than 60 days.

7. All permits must be renewed annually.

Subchapter D. Poultry

§11767. Health Requirements Governing Admission of Poultry

All poultry entering the state must meet the general requirements of LAC 7:11705 and the following specific requirements:

A. Poultry for breeding purposes or eggs for hatching shall not be imported into Louisiana unless they originate in negative tested flocks under the supervision of the National Poultry Improvement Plan, or in flocks that have passed a negative blood test for pullorum disease under the supervision of the proper state Livestock Sanitary Board official within 30 days prior to entry.

B. Poultry consigned to a recognized slaughter establishment may enter the state on a waybill, which must include the name and address of the consignee, number of birds and the name and address of the slaughter establishment. If, in the opinion of an authorized agent of the Livestock Sanitary Board, poultry consigned to a recognized slaughter establishment is of questionable health, the entire shipment will be immediately quarantined and consigned to a poultry establishment maintaining federal inspection for wholesomeness, or be returned to the state of origin.

C. The state veterinarian may prohibit the entry of birds, eggs or poultry by-products into Louisiana from any state which has an area under quarantine due to a contagious and/or infectious disease in that state which in his opinion, may seriously threaten the health of Louisiana poultry.

D. Psitticine birds and mynah birds may be imported into Louisiana under permit issued by the state veterinarian. All birds imported into Louisiana will be quarantined at destination for 90 days.

E. No permits will be issued for importation into Louisiana of psitticine birds or mynah birds that have been vaccinated for newcastle disease.

F. Birds determined to be infected with or exposed to exotic newcastle disease shall be destroyed (without compensation to owner).

G. All poultry brought into Louisiana shall be accompanied by a Form VS 9-2 indicating the flock of origin is under the National Poultry Improvement Plan and is free of salmonella pullorum (pullorum) and salmonella gallinarum (typhoid). If the flock of origin is not under the National Poultry Improvement Plan, the birds must be accompanied by a test report from an approved laboratory indicating the birds were tested negative for salmonella pullorum/typhoid within 30 days prior to entry into Louisiana.

§11769. Governing the Slaughter of Poultry of Questionable Health

Poultry consigned from within the State of Louisiana to a recognized slaughter establishment is, in the opinion of an authorized agent of the Livestock Sanitary Board, of questionable health then the poultry will be quarantined and the entire shipment reconsigned to a slaughter establishment maintaining federal inspection for wholesomeness, or returned to the place of origin.

§11771. Governing the Sanitary Disposal of Dead Poultry

A. All commercial poultry producers are required to obtain a certificate of approval. Failure to obtain a certificate shall be considered a violation of this regulation. Certificates of approval are continuous, but subject to review and cancellation should the poultry producer fail to dispose of dead poultry in accordance with this regulation.

B. Approved Methods

Dead poultry must be removed from the presence of the live poultry without delay. The carcasses, parts of carcasses and offal must be held in covered containers until disposal is made by one of the approved methods. In no instance, however, will the storage of dead poultry be allowed to create sanitary problems. Commercial poultry producers shall be required to dispose of dead poultry by one of the following methods:

1. Disposal pits shall be constructed in a manner and design capable of providing a method of disposal of dead poultry to prevent the spread of diseases. The design and construction must be approved by an authorized representative of the Livestock Sanitary Board.

2. Incinerators

Incinerators shall be constructed in a manner and design capable of providing a method of disposal of dead poultry to prevent the spread of diseases. The design and construction must be approved by an authorized representative of the Livestock Sanitary Board.

3. Rendering Plants

Dead poultry, parts of carcasses and poultry offal may be transported in covered containers to approved rendering plants. Poultry carcasses may be held on the premises of commercial poultry producers as long as the storage does not create a sanitary problem. All such methods of storage and transportation of dead poultry to approved rendering plants must be approved by an authorized representative of the Livestock Sanitary Board.

Subchapter E. Swine

§11773. Health Requirements Governing Admission of Swine

A. General Swine Requirements

1. All swine imported into Louisiana must meet the general requirements of LAC 7:11705 and the specific requirements of this section.

2. No swine originating from an out-of-state livestock auction market, feeder pig sale or concentration point are eligible to move to a Louisiana livestock auction market, feeder pig sale or concentration point.

3. All swine consigned to Louisiana for feeding or breeding purposes or for exhibition must be permanently identified to the herd of origin by ear tag or tattoo (unless prohibited by federal regulation). Ear notch identification will be accepted in lieu of tag or tattoo on registered, purebred animals.

4. Feeding and/or breeding swine moving into Louisiana from an out-of-state specifically approved livestock auction market, feeder pig sale or concentration point, shall move only to a Louisiana farm, provided that feeder swine may move to a quarantined feedlot. The permit number of the quarantined feedlot must be listed on the health certificate.

5. All eligible swine moving into Louisiana for slaughter purposes must be consigned to a specifically approved slaughter establishment maintaining state or federal meat inspection or livestock auction market specifically approved to handle slaughter hogs from out-of-state.

B. Brucellosis

In addition to the general requirements of LAC 7:11705 and the swine requirements of this Section, all swine for breeding purposes must show an official, negative test for brucellosis in the 1:25 dilution or a negative swine brucellosis card test within 30 days prior to date of shipment. Each animal must be individually identified to herd of origin by ear tag or tattoo unless prohibited by federal regulations (ear notch identification will be accepted in lieu of tag or tattoo on registered, purebred animals), and this identification must

be recorded on the health certificate. An exception to this Section are swine from a validated brucellosis free herd. The validated herd number and individual identification of each animal must appear on the health certificate.

C. Pseudorabies Requirements

1. Swine moving into Louisiana for breeding or exhibition must originate from herds not known to be infected with pseudorabies, which are negative to the SN (serum neutralization) test for pseudorabies within 30 days of movement.

2. Originate from qualified pseudorabies herd. The qualified herd number must be recorded on the health certificate.

3. Feeder swine moving from a farm outside of Louisiana to a feeder pig sale, livestock auction market or other concentration point in Louisiana, must be accompanied by a health certificate and must originate from herds not known to be infected with pseudorabies. Exceptions to LAC 7:11773(C)(3) are feeder swine going to an approved quarantined feedlot.

§11775. Governing the Admittance of Livestock to Fairs, Livestock Shows, Breeders' Association Sales and Rodeos

A. All swine consigned to fairs, livestock shows and/or breeders' association sales must meet state and federal interstate requirements if they move in interstate commerce. Louisiana swine must meet the general requirements of LAC 7:11707 and the specific requirements outlined in this Section.

B. All swine consigned for exhibition or sale must be permanently identified as to the herd of origin by ear tag or tattoo (ear notch identification will be accepted in lieu of tag or tattoo on registered, purebred animals) and this identification must be shown on the health certificate which accompanies the animal.

C. Hog Cholera

1. The health certificate accompanying swine to fairs, shows or breeders' association sales must show that the swine have not been vaccinated with modified live virus or exposed to modified live virus, and have not been exposed to sick swine within 30 days prior to the date of the fair, show or sale.

2. All feeding or breeding type swine must be identified to the herd of origin by ear tag or tattoo. Ear notch identification will be accepted on registered purebred animals in lieu of ear tag or tattoo.

3. The use of anti-hog cholera serum or antibody concentrate is no longer required or authorized except for feeder or breeder swine destined for states that require it. Swine moving out of the state will be governed by federal interstate regulations and regulations of the state of destination.

4. Swine purchased at breeders' association sales or after exhibition for feeding or breeding purposes shall be quarantined on the premise of the purchaser or owner for 30 days.

D. Swine Brucellosis

All breeding swine shall be required to show a negative test for brucellosis in the 1:25 dilution or a negative swine brucellosis card test within 60 days prior to arrival at the fairgounds or livestock show grounds, and within 30 days prior to arrival at breeders' association sale grounds. Each animal must be individually identified as to herd of origin by ear tag or tattoo (ear notch identification will be accepted in lieu of tag or tattoo on registered, purebred animals) and the individual identification and results of the test must be recorded on the official health certificate.

E. Pseudorabies Requirements

No pseudorabies requirements on swine moving from Louisiana farms to other locations in Louisiana.

§11777. Governing the Operation of Livestock Auction Markets

All swine which are sold or offered for sale in livestock auction market must meet the general requirements of LAC 7:11709 and the following specific requirements:

A. Pseudorabies Requirements

All breeder and feeder swine moving to Louisiana auction markets from farms outside Louisiana must meet the pseudorabies requirements of LAC 7:11709.

B. Brucellosis Requirements

Sows and boars sold for slaughter shall be identified to the herd of origin by USDA approved swine identification tags.

C. Identification Requirements

All swine offered for sale at a livestock auction market, feeder pig sale or other concentration point shall be marked between the shoulder with a paint mark at least 2 × 2 inches in size. This mark shall not be marked over or intentionally altered in any fashion. Each auction market will have an assigned color of paint furnished to it by the Livestock Sanitary Board.

§11779. Governing Quarantined Swine Feedlots

A. Permit Required

No person may operate a quarantined swine feedlot without first obtaining a permit from the Livestock Sanitary Board. Any person operating a feedlot without a valid permit will be in violation of this regulation and subject to prosecution.

B. Requirements for Operation of Quarantined Feedlots

1. All swine must be maintained at a safe distance and apart from all other neighboring swine of other producers.

2. Complete records must be maintained on all transactions showing dates, identification, origin and disposition of each animal. These records shall be made available to state-federal personnel upon request.

3. All swine movements from a quarantined feedlot must be directly to a slaughtering establishment operating under approved state or federal meat inspection.

C. Cancellation of Quarantined Feedlot Permit

1. A quarantined swine feedlot permit may be cancelled upon written notice that the operation does not meet the requirements of this regulation, or the operator of such quarantined swine feedlot has violated the provisions of this regulation in any respect.

2. The board shall give written notice of the cancellation of a quarantined swine feedlot permit to the operator thereof.

3. Any operator of a quarantined swine feedlot whose permit is so cancelled may appeal the cancellation thereof by written notice to the board within 10 days of receipt of the notice of cancellation. Any operator of a quarantined swine feedlot who appeals cancellation of his permit shall be entitled to a full hearing before the board, and the decision of the board at such hearing will be final unless the operator appeals to a court of competent jurisdiction.

Subchapter F. Sheep

§11781. Health Requirements Governing Admission of Livestock

All sheep entering the state must meet the general requirements of LAC 7:11705. In addition, all sheep entering Louisiana from a state in which scabies is known to exist must be dipped within 15 days prior to shipment in a dip preparation approved for this purpose by the United States Department of Agriculture. The date and name of the dip must be recorded on the health certificate covering this movement.

§11783. Governing the Admission of Livestock to Fairs, Livestock Shows, Breeders' Association Sales and Rodeos

All sheep consigned to fairgrounds, livestock showgrounds, sale grounds and rodeos must meet the general requirements of LAC 7:11707. In addition, all sheep to be admitted to fairgrounds, livestock show grounds, sale grounds or rodeos must be accompanied by an official health certificate, issued by an accredited veterinarian, stating the animals are healthy and free from infectious, contagious or parasitic disease.

Subchapter G. Goats

§11785. Health Requirements Governing Admission of Livestock

All goats imported into the state must meet the general requirements of LAC 7:11705. In addition, dairy goats must meet the brucellosis and tuberculosis requirements stipulated for cattle.

Subchapter H. Dogs and Cats

§11787. Health Requirements Governing Admission

All dogs and cats imported into Louisiana for any purpose must meet the general requirements of LAC 7:11705 and must be accompanied by an official health certificate, issued by an accredited veterinarian, showing they have been immunized against rabies within 12 months prior to entry. Exceptions to this Section are dogs and cats which are three months of age or younger and are exempt from the rabies vaccination requirement.

Subchapter I. Wild Animals

§11789. Health Requirements Governing Admission

Wild or semi-wild animals, under domestication or in custody, may be imported into the State of Louisiana provided that these animals meet the general requirements of LAC 7:11705 and a report of the number of animals to be imported are made to state veterinarian of Louisiana within 10 days of the date of shipment and immediate opportunity for examination is afforded a representative of the Livestock Sanitary Board to determine the health status of such animals.

Subchapter J. Repeal Rules and Regulations

§11791. Repeal Rules and Regulations Previously Adopted by the Livestock Sanitary Board

All rules and regulations which were previously adopted by the Livestock Sanitary Board are hereby repealed in their entirety.

Bob Odom
Commissioner

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Livestock Sanitary Board

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)
There will be no implementation costs to state or local governmental units.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)
There will be no effect on revenue collections of state or local governmental units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)
No costs and/or economic benefits are anticipated.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)
No effect on competition and employment is anticipated.

Carol H. Guidry
Fiscal Officer

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Board of Elementary and Secondary Education

ABE/GED Instructors

In accordance with the Louisiana Revised Statutes 49:950 et. seq., The Administrative Procedure Act, notice is hereby given that the Board of Elementary and Secondary Education adopted a policy that all ABE/GED instructors must be certified as a regular classroom teacher with an adult education endorsement.

Interested persons may comment on the proposed policy change and/or additions, in writing, until 4:30 p.m., June 10, 1985 at the following address: State Board of Elementary and Secondary Education, Box 94064, Capitol Station, Baton Rouge, LA 70804-9064.

James V. Soileau
Executive Director

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: ABE/GED Instructors

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)
There will be no implementation costs (savings).

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)
This will have no effect on the Revenue Collections of State or Local Governments.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)
There will be no costs and/or economic benefits to directly affected persons or non-governmental groups.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)
This will have no effect on competition and employment except to possibly provide a better trained person.

Joseph F. Kyle
Deputy Superintendent for
Management and Finance

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Board of Elementary and Secondary Education

360 Minute Instructional Day

In accordance with the Louisiana Revised Statutes 49:950 et. seq., The Administrative Procedure Act, notice is hereby given that the Board of Elementary and Secondary Education approved the following report of the Ad Hoc Committee on the 360 Minute Instructional Day:

1. Amend Policy 2.037.09 in Bulletin 741 for grades 9-12 by deleting the procedural note that reads: "When adhering to a seven-period day, the additional 10 minutes of instructional time shall be added to the instructional day."

2. School systems that are operating on seven fifty-minute periods will be exempt from the 360 minute instructional day requirement.

3. Amend Policy 2.038.01 in Bulletin 741 to read:

"The maximum enrollment in a class or section in grades K-3 shall be 29 students and in grades 4-12, 33 students except in certain activity types of classes in which the teaching approach and the materials and equipment are appropriate for large groups. No teachers at the secondary level shall instruct more than 750 student hours per week, except those who teach the above classes." (The remainder of the sentence which reads as follows is to be deleted: ". . . and those who teach the extra 10 minutes in a seven-period day.")

4. Beginning with the 1985-86 school year for grades K-8, the maximum class size be reduced by one student each year until all teachers instruct no more than 750 student hours per week pending specific funding from the Legislature.

Interested persons may comment on the proposed policy change and/or additions, in writing, until 4:30 p.m., June 10, 1985 at the following address: State Board of Elementary and Secondary Education, Box 94064, Capitol Station, Baton Rouge, LA 70804-9064.

James V. Soileau
Executive Director

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Amend Bulletin 741 to implement 360 minute class day

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)
There are no implementation costs associated with items #1, 2 and 3 of the Ad Hoc Committee on the 360 Minute Instructional Day report. If the Legislature decides to fund item number 4 of the report, the cost would be approximately $264,000,000 over seven years, being $48,000,000/year for the first four years and $24,000,000/year for the last three years.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)
There is no effect on revenue collections.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)
The benefits, although not totally economic, would go to both the students and the teachers.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)
If the funds were forthcoming in item number 4, there would be a need for approximately 17,032 additional teachers over the aforementioned seven-year period.

James V. Soileau
Executive Director

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Board of Elementary and Secondary Education

Amend Bulletin 741, Standard 1.009.03

In accordance with the Louisiana Revised Statutes 49:950 et. seq., The Administrative Procedure Act, notice is hereby given that the Board of Elementary and Secondary Education adopted the rewording of Standard 1.009.03 of Bulletin 741 to add a procedural block as follows: "The local educational governing authority shall provide for and offer in every school having a first grade or in a parish kindergarten center at least a half-day kindergarten program in accordance with standards set in this Bulletin" with an implementation date of 1985-86.

Interested persons may comment on the proposed policy change and/or additions, in writing, until 4:30 p.m., June 10, 1985 at the following address: State Board of Elementary and Secondary Education, Box 94064, Capitol Station, Baton Rouge, LA 70804-9064.

James V. Soileau
Executive Director

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Amend Bulletin 741, Standard 1.009.03

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)
There will be no implementation cost or savings to state or local governmental units.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)
There will be no estimated effect on revenue collections of state or local governmental units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)
There is no estimated cost and/or economic benefits to directly affected persons or non-governmental groups.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)
There will be no effect on competition and employment.

Joseph F. Kyle
Deputy Superintendent for
Management and Finance

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Board of Elementary and Secondary Education

Bulletin 741 Amendment

In accordance with the Louisiana Revised Statutes 49:950 et. seq., The Administrative Procedure Act, notice is hereby given that the Board of Elementary and Secondary Education approved the Department of Education's recommendations on the 360-minute instructional day schedules for grades 1, 2, and 3 and grades 4, 5, and 6, effective for the 1985-86 school year.

Within the framework of a 360-minute instructional day, this rule would affect the daily time requirements in grades 1, 2, and 3 by increasing the time allotment in mathematics from 55 minutes to 60 minutes and decreasing the time allotment in science and social studies from 50 minutes to 45 minutes. In grades 4, 5, and 6 the rule would affect the daily time requirement by decreasing the time allotment in language arts from 130 minutes to 120 minutes and a corresponding increase in mathematics from 50 minutes to 60 minutes.

Interested persons may comment on the proposed policy change and/or additions, in writing, until 4:30 p.m., June 10, 1985, at the following address: Board of Elementary and Secondary Education, Box 94064, Capitol Station, Baton Rouge, LA 70804-9064.

James V. Soileau
Executive Director

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Instructional Day Schedules

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)
No implementation costs to state or local governmental units is anticipated.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)
No impact on state or local revenues would result.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

No costs and/or economic benefits is anticipated.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

No estimated effects on competition and employment.

Joseph F. Kyle
Deputy Superintendent for
Management and Finance

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Board of Elementary and Secondary Education

Pay Scale for Foreign Languages in Elementary Schools Specialists (FLES)

In accordance with the Louisiana Revised Statutes 49:950 et. seq., The Administrative Procedure Act, notice is hereby given that the Board of Elementary and Secondary Education approved the proposed revision of BESE Policy 6.00.53 on the pay scale for Foreign Languages in Elementary Schools Specialists (FLES) as follows:

FLES SPECIALIST (Foreign Languages in Elementary Schools)

Teachers who have successfully completed an approved inservice training program and who are certified by the director of higher education and teacher certification to teach a foreign language in the elementary grades (1-8), are thereafter to be paid at the rate of 80 percent of the next higher category of the Minimum Salary Schedule as set forth in R.S. 17:241. This salary increment is to be paid from Minimum Foundation Funds and limited to those FLES Specialists teaching a foreign language part time or full time, in accordance with R.S. 17:273 for teaching in an approved alternative program, e.g. Bilingual Education. This policy becomes effective beginning with the 1985-86 school session and would include those certified SLS teachers presently receiving the SLS pay increment; however, undergraduate students who receive all level certification in foreign languages and are so certified are not eligible for the FLES salary increment.

DEFINITION OF TERMS:

FLES Specialist - a regularly certified elementary classroom teacher or a certified secondary teacher of foreign languages who has successfully completed an approved inservice teacher training program and has been certified by the Director of Higher Education and Teacher Certification to teach a foreign language in elementary grades (1-8).

FLES Specialist, Full Time - a certified FLES specialist itinerant in one or more schools with a full teaching schedule of elementary foreign language classes.

FLES Specialist, Part Time - a regularly assigned classroom teacher holding FLES Specialist Certification who teaches one or more classes of a foreign language in addition to his/her regular assignment.

Interested persons may comment on the proposed policy change and/or additions, in writing, until 4:30 p.m., June 10, 1985 at the following address: State Board of Elementary and Secondary Education, Box 94064, Capitol Station, Baton Rouge, LA 70804-9064.

James V. Soileau
Executive Director

Fiscal and Economic Impact Statement For Administrative Rules
Rule Title: Pay Scale for Foreign Languages in Elementary Schools Specialist

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

There will be no estimated implementation costs as those certification rules do not impact current policies in an economic manner.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

There is no effect on revenue collections.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

Teachers who decide to participate in the FLES Specialist increment would receive an additional salary supplement.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

There is no effect on competition and employment.

Joseph F. Kyle
Deputy Superintendent for
Management and Finance

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Board of Elementary and Secondary Education

Migrant Education State Plan FY-86

In accordance with the Louisiana Revised Statutes 49:950 et. seq., The Administrative Procedure Act, notice is hereby given that the Board of Elementary and Secondary Education approved the Migrant Education State Plan for Fiscal Year 1986. Copies of this plan may be reviewed in the Office of the State Register and Office of the Board of Elementary and Secondary Education, Room 104, 626 N. Fourth Street, Baton Rouge.

Interested persons may comment on the proposed policy change and/or additions, in writing, until 4:30 p.m., June 10, 1985, at the following address: Board of Elementary and Secondary Education, Box 94064, Capitol Station, Baton Rouge, LA 70804-9064.

James V. Soileau
Executive Director

Fiscal and Economic Impact Statement For Administrative Rules
Rule Title: FY-86 Migrant State Plan

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

Migrant Education is a 100 percent federally funded program. Its administration does not necessitate employment of persons funded from other sources. Personal services and operating expenses ($347,228) will be funded through the program.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

The actual allocation will be determined by a formula and will be dependent upon the federal budget adopted and the total number of eligible children in the nation.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

Approximately 10,000 children living in Louisiana for at least a portion of the school year will receive instructional or supportive services through the Migrant Education Program. A FY-86 allocation of approximately the same as the FY-85 allocation of $7.8 million is anticipated.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

The Migrant Education Program creates full-time instructional positions for more than 260 persons, most of whom are paraprofessional teaching aides. Approximately 52 additional full-time positions are funded for recruitment personnel, records personnel, and state office staff. A number of part-time or shared-time positions are also funded with these monies. The program has little if any effect on competition.

Joseph Kyle
Deputy Superintendent

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Board of Elementary and Secondary Education

Amendments to Practical Nursing Program

In accordance with the Louisiana Revised Statutes 49:950 et. seq., The Administrative Procedure Act, notice is hereby given that the Board of Elementary and Secondary Education accepted the revised administrative rules and minimum requirements relating to the Practical Nursing Program in the vocational technical system as follows:

SECTION IV

Program Projection

1. Faculty and Staff

1-1. Faculty

a. Shall consist of a minimum of two nurse members one of whom shall be designated as program coordinator.

b. Educational qualifications.

b-1. Licensure-Each nurse faculty member shall hold a current license to practice as a registered nurse in the State of Louisiana.

b-2. Nurse coordinator-Shall be a graduate of a three year diploma nursing program or a graduate of a baccalaureate nursing program with a minimum of three of the past six years experience in nursing education.

b-3. Nurse instructor-Shall be a graduate of a three year diploma nursing program or a graduate of a baccalaureate nursing program with a minimum of two of the past four years experience in staff nursing or nursing education.

5. Curriculum Requirements

5-3. Length of program-a program shall cover a minimum number of hours of scheduled instruction to range between 1500-1600 hours.

Interested persons may comment on the proposed policy change and/or additions, in writing, until 4:30 p.m., June 10, 1985 at the following address: State Board of Elementary and Secondary Education, Box 94064, Capitol Station, Baton Rouge, LA 70804-9064.

James V. Soileau
Executive Director

Fiscal and Economic Impact Statement For Administrative Rules Rule Title: Practical Nursing Program

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

There will be no implementation costs or savings.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

There will be no effect on revenue collections.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

There will be no costs and/or economic benefits to directly affected persons or nongovernmental groups.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

There will be no effect on competition and employment.

Joseph F. Kyle
Deputy Superintendent for Management and Finance

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Board of Elementary and Secondary Education

Special Education Certification

In accordance with the Louisiana Revised Statutes 49:950 et. seq., The Administrative Procedure Act, notice is hereby given that the Board of Elementary and Secondary Education approved the addition of new language to Bulletin 746, page 8, regarding adding areas of special education certification to regular education as follows:

"The holder of a valid Louisiana teaching certificate may have an area of special education certification (mild/moderate, severe/profound, hearing impaired, visually impaired, or noncategorical preschool handicapped) added to this certificate by completing (1) the state requirements under professional education (excluding student teaching) and specialized academic education for the additional area of certification and (2) a practicum in the area of certification (including at least 45 hours of observation and participation) if such practicum is not included in the specialized academic requirements."

Interested persons may comment on the proposed policy change and/or additions, in writing, until 4:30 p.m., June 10, 1985 at the following address: State Board of Elementary and Secondary Education, Box 94064, Capitol Station, Baton Rouge, LA 70804-9064.

James V. Soileau
Executive Director

Fiscal and Economic Impact Statement For Administrative Rules Rule Title: Special Education Certification

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

There is no impact.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

There is no impact.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

There is no impact.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

There is no impact.

Joseph F. Kyle
Deputy Superintendent for
Management and Finance

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Board of Elementary and Secondary Education

Revisions of Regulations for the Implementation of
State-Funded Compensatory/Remedial Programs
Regular School Year

In accordance with the Louisiana Revised Statutes 49:950 et. seq., The Administrative Procedure Act, notice is hereby given that the Board of Elementary and Secondary Education adopted the revisions to Regulations for the Implementation of State-Funded Compensatory/Remedial Program Regular School Year (Addendum to Bulletin 1566 (1980): *Guidelines for Pupil Progression* as follows:

Part VII-B, Program Evaluation and Reporting, Local Responsibilities, amended to read:

B. Participation in the state evaluation as described in Part VII-A shall satisfy the requirement for a local evaluation of the State Compensatory/Remedial Education Program.

1. A school system choosing to meet the requirement for a local evaluation through participation in the state evaluation shall so specify in its local Pupil Progression Plan.

2. For the 1984-85 school year only, a school system *may* choose to meet the requirement for a local evaluation through participation in the state evaluation by notifying the Bureau of Elementary Education within the department of this intent through a letter to be signed by the local superintendent of schools.

3. For the 1984-85 school year only, a school system that has received permission to use some part of its State Compensatory/Remedial Education Program funds for a local evaluation must complete its local evaluation as described in the 1984-85 Pupil Progression Plan or must revise its State Compensatory/Remedial Education Program budget to show the allocation of these funds to other allowable program costs. Such budget revisions shall be submitted to the Bureau of Elementary Education.

4. A school system may conduct a local evaluation of the State Compensatory/Remedial Education Program and may submit this evaluation report to the department. A local evaluation of the State Compensatory/Remedial Education Program that is submitted to the department shall be conducted under the responsibility of a person having a valid Louisiana certificate in program evaluation and shall apply the state board-adopted standards for educational evaluations.

Interested persons may comment on the proposed policy change and/or additions, in writing, until 4:30 p.m., June 10, 1985 at the following address: State Board of Elementary and Secondary Education, Box 94064, Capitol Station, Baton Rouge, LA 70804-9064.

James V. Soileau
Executive Director

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: State Funded Compensation/ Remedial Program

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

Action is expected to save approximately $42,000 of State funds approved for LEA evaluations and an estimated $287,596 of LEA funds in LEAs using local monies to carry out the evaluations.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

No effect is expected on revenue collections.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

No costs or benefits to nongovernmental groups or others by the program.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

No effect expected; LEA program evaluations are typically conducted by existing LEA employees in addition to other duties.

Joseph F. Kyle
Deputy Superintendent for
Management and Finance

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Department of Environmental Quality
Office of Air Quality and Nuclear Energy
Air Quality Division

Under the authority of the Louisiana Environmental Quality Act, L.R.S. 30:1051 et. seq., in particular Sections 1084 B (1) and in accordance with the Administrative Procedure Act L.R.S. 49:950, the secretary, Department of Environmental Quality has initiated rulemaking on proposed revisions to the Prevention of Significant Deterioration Regulations (PSD). The Department will afford all interested persons the opportunity to submit comments on the proposed regulations, orally or in writing at a public hearing scheduled on May 1, 1985 at 7:30 p.m. in the Mineral Board Hearing Room, State Land and Natural Resources Building, 625 North Fourth Street, Baton Rouge, Louisiana. All written comments should be submitted no later than May 10, 1985 to Gus Von Bodungen, Air Quality Division, Box 44096, Baton Rouge, LA 70804-4096, or phone 504/342-9047.

The proposed revisions consist of the following:

Revision of Section 90.0, Prevention of Significant Deterioration

The proposed revisions to the regulations incorporate EPA recommended technical changes to ensure Federal enforceability of the state regulations. PSD is the new source review program presently delegated partially to the state. The EPA and state currently both sign the PSD permits. With these revisions the EPA will be able to fully delegate the program.

The agency contact responsible for responding to inquiries or requests for copies of the proposed revision is Gus Von Bodungen, Box 44096, Baton Rouge, Louisiana, 70804-4096, or phone 504/342-1206. All documents relating to the actions of this notice are available for inspection at the following locations from 8 a.m. until 4:30 p.m.

Department of Environmental Quality, 2945 North I-10 Service Road, Metairie, LA.

Department of Environmental Quality, Eighth floor, State Land and Natural Resources Building, 625 North Fourth Street, Baton Rouge, LA.

Department of Environmental Quality, 804 Thirty-First Street, Monroe, LA.

State Office Building, 1525 Fairfield Avenue, Shreveport, LA.

Department of Environmental Quality, 1155 Ryan Street, Lake Charles, LA.

Department of Environmental Quality, 100 Eppler Road, Lafayette, LA.

Patricia L. Norton
Secretary

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: PSD Regulation

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

There will be no implementation costs because these are minor, technical revisions. Existing staff can absorb the additional workload.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

There will be no increase in revenue because of these revisions.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

There will be no increase in cost because of these revisions.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

There will be no effect on competition and employment.

Patricia L. Norton
Secretary

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Office of the Governor
Office of Elderly Affairs

In acordance with Louisiana Revised Statutes 49:950 et seq., the Administrative Procedure Act, and pursuant to Subsection 307(a)(10) of the Older Americans Act Amendments of 1984, notice is hereby given that the Governor's Office of Elderly Affairs (GOEA) intends to amend the GOEA Policy Manual to revise Subsection 712, "Service Requirements." Subsection 712 provides tests and standards which must be applied to assure an adequate supply of services funded under Title III of the Older Americans Act. This revision is necessary to clarify area agency on aging service procurement responsibilities.

Proposed Amendments to the
Office of Elderly Affairs Policy Manual
Under Subsection 712 "Service Requirements:"

1. Expand Paragraph A, "General Rule for Services Funded Under Title III" by changing the period at the end of the sentence to a semicolon and adding the following wording, "or where such services are directly related to such area agency's administrative functions (such as information and referral, outreach, advocacy, ombudsman, case management); or where such services of comparable quality can be provided more economically by the area agency on aging."

2. Delete all of Paragraph B, "Test for Adequate Supply."

3. Delete all of Paragraph C, "Definitions of Effectively and Efficiently."

4. Change Paragraph D, "Standard Procedure for Area Agencies" to Paragraph B, and number items as follows:

In selecting subcontractees, the area agency governing body must:

1. advertise for bids for procurement contracts, as defined in 45 CFR Part 74.3, and solicit proposals for awards for financial assistance under contract;

2. evaluate bids or proposals received; and

3. award procurement contract(s) or financial assistance under contract to the best applicant(s).

5. Change Paragraph E, "Conditions for Direct Delivery of Services by an Area Agency" to Paragraph C, and substitute the language after the paragraph ending with the words "the area agency;" with the following statements:

1. Demonstrates that it is necessary to directly deliver services to insure an adequate supply of the service, or

2. Demonstrates that it can provide services of comparable quality more economically than other providers.

6. Change Paragraph F, "Test Standards" to Paragraph D, and substitute the following language in place of the existing text:

"The test for adequate supply will be met by the area agency on aging when the state agency determines that the area agency on aging can and will provide the services substantially more effectively and efficiently than any other provider.

1. Substantially More Effective Test Standards

The substantially more effective test will be met by the area agency when, in the state agency's judgment, the following standards are met in a manner superior to other applicants offering to provide the service:

Standard 1: A person qualified by training and experience is designated to be responsible for the conduct of this activity, including supervision of paraprofessional and volunteer staff.

Standard 2: There are adequate numbers of supervised staff, trained and skilled in dealing with assessing the needs of older persons and assisting such persons to obtain needed services.

Standard 3: The service is accessible to older persons in the area.

Standard 4: There is a system established for follow-up on referrals.

Standard 5: There is an up-to-date file of community resources which will contribute to the well-being of older persons.

Standard 6: Procedures are established for publicizing the service.

Standard 7: Linkages are planned with other services available under Title III of the Older Americans Act.

Standard 8: There is a sound management system capable of furnishing timely and accurate fiscal and program report data.

Standard 9: There is a sufficient schedule of service delivery days and appropriate hours of daily operation. (minimum: 250 service delivery days per contract year)

Standard 10: Outreach is available to identify older persons with the greatest social or economic need with particular attention to low-income minority individuals.

Standard 11: There is a service delivery criteria for each service.

2. Substantially More Efficient Test Standards

The "substantially more efficient" test will be met by the area agency when the state agency can determine that the area agency utilizing Title III funds can provide each service at a substantially lower unit cost. "Substantially" is defined as a unit of cost which is at least 20 percent lower than the best applicant's unit cost. Unit cost is defined as the total expenditure of Title III funds needed for the service divided by the number of units of service to be delivered."

7. Delete Paragraphs G, "Direct Delivery by Area Agencies;" H, "Additional Area Agency Responsibilities;" and I, "Decision."

The proposed effective date of this amendment of Subsection 712 of the GOEA Policy Manual is June 20, 1985.

Interested persons may submit written comments on the

proposed changes to the attention of Betty Johnson, Planning Analyst III, Governor's Office of Elderly Affairs, Box 80374, Baton Rouge, LA 70898-0374.

Sandra C. Adams
Director

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Direct Delivery

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)
There will be no implementation costs to state or local governmental units.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)
There will be no effect on revenue collections of state or local governmental units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)
The revision of Subsection 712 of the GOEA Policy Manual will not have a direct affect on any person or non-governmental group.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)
There will be no effect on competition and employment.

Sandra C. Adams
Director

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Office of the Governor
Office of Elderly Affairs

In accordance with Louisiana Revised Statutes 49:950 et. seq., The Administrative Procedure Act, and pursuant to Subsections 307(a)(5) and 305(b)(1) of the Older Americans Act Amendments of 1984, notice is hereby given that the Governor's Office of Elderly Affairs (GOEA) intends to amend the GOEA Policy Manual to add a new section, entitled "Hearing Procedures."

The new section (900) shall specify the timing and procedures for hearings requested by area agencies submitting plans under Title III of the Older Americans Act, service providers or applicants to provide services under area plans, and units of general purpose local government with a population of 100,000 or more which apply for designation as a planning and service area.

The text of the proposed section includes the hearing procedures which were published in the June, 1981 issue of the *Louisiana Register,* (Volume 7, Number 6) with the exception of Subsection 1004, which was deleted May 6, 1984.

An Emergency Rule to adopt the new section was approved March 19, 1985.

The effective date of the proposed rule is June 20, 1985.

Information concerning the proposed amendment of the GOEA Policy Manual can be obtained by writing: Betty N. Johnson, Planning Analyst III, Governor's Office of Elderly Affairs, Box 80374, Baton Rouge, LA 70898-0374. Written comments should be submitted to the address above.

Sandra C. Adams
Director

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Hearing Procedure

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)
There will be no implementation costs or savings to state or local governmental units.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)
There will be no effect on revenue collections of state or local governmental units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)
No costs or economic benefits are anticipated as a result of this action.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)
There will be no effect on competition and employment.

Sandra C. Adams
Director

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Department of Health and Human Resources
Board of Medical Examiners

CHAPTER II
LICENSING AND CERTIFICATION

Part VI—Physical Therapists
Subpart A—General Provisions

§ 6.01 Scope of Part

The rules of this Part govern the licensing of physical therapists and physiotherapists to engage in the practice of physical therapy in the State of Louisiana.

§ 6.02 Definitions

(a) As used in this Part, the following terms shall have the meanings specified:

(1) The term *applicant* means a person who has applied to the board for a license or permit to engage in the practice of physical therapy in the State of Louisiana.

(2) The term *application* means a written request directed to and received by the board, upon forms supplied by the board, for a license or permit to practice physical therapy in the State of Louisiana, together with all information, certificates, documents and other materials required by the board to be submitted with such forms.

(3) The term *good moral character,* as applied to an applicant, means that:

(i) the applicant has not, prior to or during the pendency of an application to the board, been guilty of any act, omission, condition or circumstance which would provide legal cause under L.R.S. 37:2413 for the suspension or revocation of physical therapy licensure;

(ii) the applicant has not prior to or in connection with his application, made any represention to the board, knowingly or unknowingly, which is in fact false or misleading as to a material fact or omits to state any fact or matter that is material to the application; and

(iii) the applicant has not made any representation or failed to make a representation or engaged in any act or omission which is false, deceptive, fraudulent or misleading in achieving or obtain-

ing any of the qualifications for a license or permit required by this Part.

(4) The term *license* means the lawful authority of a physical therapist to engage in the practice of physical therapy in the State of Louisiana, as evidenced by a certificate duly issued by and under the official seal of the board.

(5) The term *Physical Therapy Practice Act* means L.R.S. 37:2401-2418, as hereafter amended or supplemented.

(6) The term *temporary permit* means the lawful authority of a physical therapist to engage in the practice of physical therapy in the State of Louisiana for a designated, temporary period of time, subject to restrictions and conditions specified by the board, as evidenced by a certificate duly issued by and under the official seal of the board. A temporary permit is of determinate, limited duration and implies no right or entitlement to a license or to renewal of the permit.

(7) The term *physical therapist* or *physiotherapist* means a person possessing a degree in physical therapy duly awarded by an educational institution approved by the board pursuant to § 6.06 of this Part.

(8) The term *state* means any state of the United States, the District of Columbia and Puerto Rico.

(b) Masculine terms wheresoever used in this Part shall also be deemed to include the feminine.

Subpart B—Graduates of American Physical Therapy Schools

§ 6.03 Scope of Subpart

The rules of this Subpart govern the licensing of physical therapists who are graduates of physical therapy schools located within any state.

§ 6.04 Qualifications for License

(a) To be eligible for a license, an applicant shall:

(1) be at least 21 years of age;

(2) be of good moral character as defined by § 6.02(a)(3);

(3) be a citizen of the United States or possess valid and current legal authority to reside and work in the United States duly issued by the commissioner of the Immigration and Naturalization Service of the United States under and pursuant to the Immigration and Nationality Act (66 Stat. 163) and the commissioner's regulations thereunder (8 C.F.R.);

(4) possess a degree in physical therapy duly issued and conferred by a physical therapy school approved by the board; and

(5) have taken the licensing examination administered by the board and achieved an average specified as the minimum passing score by § 6.23 of this Part, subject to the exception provided for certain applicants for licensure by reciprocity provided by § 6.11(a); provided, however, that an applicant who has failed the examination more than three times shall not thereafter be eligible for licensure in Louisiana.

(b) The burden of satisfying the board as to the qualifications and eligibility of the applicant for licensure shall be upon the applicant. An applicant shall not be deemed to possess such qualifications unless the applicant demonstrates and evidences such qualifications in the manner prescribed by, and to the satisfaction of, the board.

§ 6.05 Procedural Requirements

In addition to the substantive qualifications specified in § 6.04, to be eligible for a license, an applicant shall satisfy the procedures and requirements for application provided by §§ 6.12 to 6.15 of this Part and, if applicable, the procedures and requirements for examination administered by the board provided by §§ 6.16 to 6.25 of this Part.

§ 6.06 Approved Physical Therapy Schools

(a) Graduation from an approved school is among the qualifications requisite to physical therapy licensure as provided by § 6.04(a)(4) (American graduates) and § 6.11(a) (reciprocity applicants). This qualification will be deemed to be satisfied if the physical therapy school from which the applicant graduated was approved by the board as of the date the applicant's degree was issued.

(b) A physical therapy school located in any state which is currently accredited by the Council on Post-Secondary Accreditation approved by the board as of the date the applicant's degree was issued.

(b) A physical therapy school located in any state which is currently accredited by the Council on Post-Secondary Accreditation or the United States Commission of Education, or their successors, shall be concurrently considered approved by the board.

(c) A listing of approved schools of physical therapy is set forth in an appendix to this Part and shall from time to time be amended and supplemented by the board consistently with the provisions of this Subpart.

Subpart C—Graduates of Foreign Physical Therapy Schools

§ 6.07 Scope of Subpart; Definition

(a) The rules of this Subpart specify additional qualifications, requirements and procedures for the licensing of physical therapists who are graduates of foreign physical therapy schools.

(b) As used in this Subpart, the term *foreign graduate* means a graduate of a physical therapy school not located in any state.

§ 6.08 Qualifications for License

(a) To be eligible for a license, a foreign graduate applicant shall:

(1) possess all of the substantive qualifications for license specified by § 6.04 of this Part, save for § 6.04(a)(4);

(2) have successfully completed didactic and clinical courses in physical therapy with such concentration and hours in such courses as the board, upon evaluation of the applicant's transcript by an approved credentials evaluation service, may deem necessary or sufficient;

(3) be competent and proficient in speaking, understanding, reading and writing the English language; and

(4) have completed at least 12 months of postgraduate clinical training in Louisiana under the direction and supervision of a physical therapist licensed by the board.

(b) The burden of satisfying the board as to the qualifications and eligibility of the foreign graduate applicant for licensure shall be upon the applicant. An applicant shall not be deemed to possess such qualifications unless the applicant demonstrates and evidences such qualifications in the manner prescribed by, and to the satisfaction of, the board.

§ 6.09 Procedural Requirements

In addition to the substantive qualifications specified in § 6.08, to be eligible for a license, a foreign graduate applicant shall satisfy the procedures and requirements for application provided by §§ 6.12 to 6.15 of this Part; if applicable, the procedures and requirements for examination administered by the board provided in §§ 6.16 to 6.25 of this Part; and shall provide notarized verification of his physical therapy school transcript, reflecting the courses and hours taken and grades achieved.

Subpart D—Licensure by Reciprocity

§ 6.10 Definition

As used in this Subpart, *licensure by reciprocity* means the issuance of a license on the basis of licensure by another state pursuant to written examination.

§ 6.11 Qualification for Licensure by Reciprocity

An applicant who possess and meets all of the qualifications and requirements specified by §§ 6.04 to 6.05 of this Part,

save for successfully passing the examination administered by the board, as otherwise required by § 6.04(a)(5), shall nonetheless be eligible for licensing if such applicant:

(1) possesses, as of the time the application is filed and at the time the board passes upon such application, a current, unrestricted license issued by another state which accords similar privileges of licensure without examination to Louisiana licensees; and

(2) has, within 10 years prior to the date of application, taken and successfully passed a written physical therapy competence examination administered by the authority which issued the applicant's unrestricted license, which examination was substantially equivalent in scope, content and minimum passing score to the examination administered by the board.

Subpart E—Application

§ 6.12 Purpose and Scope

The rules of this Subpart govern the procedures and requirements applicable to application to the board for licensing as a physical therapist in the State of Louisiana.

§ 6.13 Application Procedure

(a) Application for unrestricted licensing shall be made upon forms supplied by the board.

(b) If application is made for licensing on the basis of examination to be administered by the board, an initial application must be received by the board on or before November 30 if the applicant desires to sit for the February administration of the examination, on or before August 31 if the applicant desires to sit for the November administration of the examination (see Subpart F of this Part respecting dates and places of examination). Completed applications must be received by the board on or before December 31 or September 30 respectively, in order for an applicant to be eligible to sit for the February or November administration of the examination.

(c) Application for licensing by reciprocity under Subpart E may be made at any time.

(d) Application forms and instructions pertaining thereto may be obtained upon written request directed to the office of the secretary-treasurer of the board, Suite 100, 830 Union Street, New Orleans, LA 70112. Application forms will be mailed by the board within 30 days of the board's receipt of request therefor. To ensure timely filing and completion of application, forms must be requested not later than 40 days prior to the deadlines for initial application specified in the preceding Subsection.

(e) An application for licensing under this Part shall include:

(1) proof, documented in a form satisfactory to the board as specified by the secretary, that the applicant possesses the qualifications set forth in this Part;

(2) three recent photographs of the applicant; and

(3) such other information and documentation as the board may require to evidence qualification for licensing.

(f) All documents required to be submitted to the board must be the original thereof. For good cause shown, the board may waive or modify this requirement.

(g) The board may refuse to consider any application which is not complete in every detail, including submission of every document required by the application form. The board may, in its discretion require a more detailed or complete response to any request for information set forth in the application form as a condition to consideration of an application.

(h) Each application submitted to the board shall be accompanied by the applicable fee, as provided in Part 30 of these rules.

(i) Upon submission of or concurrently with submission of a completed application, an applicant shall, by appointment, make a personal appearance before the board, or its designee, as a condition to the board's consideration of such application.

§ 6.14 Additional Requirements for Foreign Graduates

(a) Any diploma or other document required to be submitted to the board by a foreign graduate applicant which is not in the English language must be accompanied by a certified translation thereof into English.

(b) As a condition to the board's consideration of a foreign graduate application, the board must receive an evaluation of the applicant's transcript from an approved credentials evaluation agency. A foreign graduate applicant shall, accordingly, prior to or concurrently with submission of application to the Board, deliver or cause to be delivered a certified copy of his physical therapy school transcript to one of the following approved agencies:

(1) International Educational Research Foundations, Inc., Credentials Evaluation Service, Box 24679, Los Angeles, California 90024.

(2) International Credentialing Associates, Inc., 1101 New Hampshire Avenue, N.W., Washington, D.C. 20037.

(3) International Consultants, Inc. (ICI of Delaware), 115 Barksdale Professional Center, Newark, Delaware 19711.

(c) In addition to the procedures and requirements set forth in § 6.13, upon submission of a completed application, a foreign graduate applicant shall, by appointment, make a personal appearance before a member of the board or its designee as a condition to the board's consideration of such application.

§ 6.15 Effect of Application

(a) The submission of an application for licensing to the board shall constitute and operate as an authorization by the applicant to each educational institution at which the applicant has matriculated, each state or federal agency to which the applicant has applied for any license, permit, certificate or registration, each person, firm, corporation, clinic, office or institution by whom or with whom the applicant has been employed in the practice of physical therapy, each physician or other health care practitioner whom the applicant has consulted or seen for diagnosis or treatment and each professional organization to which the applicant has applied for membership, to disclose and release to the board any and all information and documentation concerning the applicant which the board deems material to consideration of the application. With respect to any such information or documentation, the submission of an application for licensing to the board shall equally constitute and operate as a consent by the applicant to disclosure and release of such information and documentation and as a waiver by the applicant of any privilege or right of confidentiality which the applicant would otherwise possess with respect thereto.

(b) By submission of an application for licensing to the board, an applicant shall be deemed to have given his consent to submit to physical or mental examinations if, when, and in the manner so directed by the board and to waive all objections as to the admissibility or disclosure of findings, reports or recommendations pertaining thereto on the grounds of privileges provided by law. The expense of any such examination shall be borne by the applicant.

(c) The submission of an application for licensing to the board shall constitute and operate as an authorization and consent by the applicant to the board to disclose and release any information or documentation set forth in or submitted with the applicant's application or obtained by the board from other persons, firms, corporations, associations or governmental entities pursuant to Subsections (a) or (b) of this Section to any person, firm, corporation, association or governmental entity having a lawful, legitimate and reasonable need therefor, including, without limitation, the physical therapy licensing authority of any state; the Federation of State Medical Boards of the United States; the

American Physical Therapy Association and any component state and county or parish medical society, including the Louisiana Physical Therapy Association; the Louisiana Department of Health and Human Resources; federal, state, county or parish and municipal health and law enforcement agencies and the Armed Services.

Subpart F—Examination

§ 6.16 Designation of Examination

The examination administered by the board pursuant to L.R.S. 37:2409 is the Professional Examination Service (PES) Examination developed jointly by the Board and PES.

§ 6.17 Eligibility for Examination

To be eligible for examination by the board, an applicant shall possess all qualifications for licensure prescribed by § 6.04(a); provided, however, that an applicant who has completed, or prior to examination will complete, his physical therapy education but who does not yet possess a degree as required by § 6.04(a)(4), shall be deemed eligible for examination upon submission to the board of a letter subscribed by the dean of an approved physical therapy school certifying that the applicant is in his last semester or term of, or has completed his, academic physical therapy education at such school or college, that the applicant is a candidate for a degree in physical therapy at the next scheduled convocation of such school or college, and specifying the date on which such degree will be awarded.

§ 6.18 Dates, Places of Examination

The board's licensing examination is administered semiannually in the city of New Orleans in the first week of February and the first week of November. Applicants shall be advised of the specific dates, times and locations of the next scheduled examination upon application to the board and may obtain such information upon inquiry to the office of the secretary.

§ 6.19 Administration of Examination

(a) The board's licensing examination is administered by a chief proctor, appointed by the board, and several assistant proctors. The chief proctor is authorized and directed by the board to obtain positive photographic identification from all applicants appearing and properly registered for the examination, to establish and require examinees to observe an appropriate seating arrangement, to provide appropriate instructions for taking the examination, to fix and signal the time for beginning and ending the several sections of the examination, to prescribe such additional rules and requirements as are necessary or appropriate to the taking of the examination in the interest of the examinees or the examination process, and to take all necessary and appropriate actions to secure the integrity of the examination and the examination process, including, without limitation, excusing an applicant from the examination or changing an applicant's seating location at any time during the examination.

(b) An applicant who appears for examination shall:

(1) present to the chief proctor or his designated assistant proctor proof of registration for the examination and positive personal photographic and other identification in the form prescribed by the board; and

(2) fully and promptly comply with any and all rules, procedures, instructions, directions or requests made or prescribed by the chief proctor or any assistant proctor.

§ 6.20 Subversion of Examination Process

(a) An applicant-examinee who engages or attempts to engage in conduct which subverts or undermines the integrity of the examination process shall be subject to the sanctions specified in § 6.22 of this Subpart.

(b) Conduct which subverts or undermines the integrity of the examination process shall be deemed to include:

(1) refusing or failing to fully and promptly comply with any rules, procedures, instructions, directions or requests made or prescribed by the chief proctor or an assistant proctor;

(2) removing from the examination room or rooms any of the examination materials;

(3) reproducing or reconstructing, by copying, duplication, written notes or electronic recording, any portion of the licensing examination;

(4) selling, distributing, buying, receiving, obtaining or having unauthorized possession of a future, current or previously administered licensing examination;

(5) communicating in any manner with any other examinee or any other person during the administration of the examination;

(6) copying answers from another examinee or permitting one's answers to be copied by another examinee during the administration of the examination;

(7) having in one's possession during the administration of the examination any materials or objects other than the examination materials distributed, including, without limitation, any books, notes, recording devices, or other written, printed or recorded materials or data of any kind;

(8) impersonating an examinee by appearing for and as an applicant and taking the examination for, as and in the name of an applicant other than himself;

(9) permitting another person to appear for and take the examination on one's behalf and in one's name; or

(10) engaging in any conduct which disrupts the examination or the taking thereof by other examinees.

§ 6.21 Finding of Subversion

(a) When, during the administration of examination, the chief proctor or any assistant proctor has reasonable cause to believe that an applicant-examinee is engaging or attempting to engage, or has engaged or attempted to engage, in conduct which subverts or undermines the integrity of the examination process, the chief proctor shall take such action as he deems necessary or appropriate to terminate such conduct and shall report such conduct in writing to the board.

(b) In the event of suspected conduct described by § 6.20(b)(5) or (6), the subject applicant-examinee shall be permitted to complete the examination, but shall be removed at the earliest practical opportunity to a location precluding such conduct.

(c) When the board, upon information provided by the chief proctor, an assistant proctor, an applicant-examinee or any other person, has probable cause to believe that an applicant has engaged or attempted to engage in conduct which subverts or undermines the integrity of the examination process, the board shall so advise the applicant in writing, setting forth the grounds for its finding of probable cause, specifying the sanctions which are mandated or permitted for such conduct by § 6.22 of this Subpart and provide the applicant with an opportunity for hearing pursuant to L.R.S. 49:955-58 and applicable rules of the board governing administrative hearings. Unless waived by the applicant, the board's findings of fact, its conclusions of law under these rules, and its decision as to the sanctions, if any, to be imposed shall be made in writing and served upon the applicant.

§ 6.22 Sanctions for Subversion of Examination

(a) An applicant who is found by the board, prior to the administration of the examination, to have engaged in conduct or to have attempted to engage in conduct which subverts or undermines the integrity of the examination process may be permanently disqualified from taking the examination and for physical therapy licensure in the State of Louisiana.

(b) An applicant-examinee who is found by the board to have engaged or to have attempted to engage in conduct which

subverts or undermines the integrity of the examination process shall be deemed to have failed the examination. Such failure shall be recorded in the official records of the board.

(c) In addition to the sanctions permitted or mandated by Subsections (a) and (b) of this Section, as to an applicant-examinee found by the board to have engaged or to have attempted to engage in conduct which subverts or undermines the integrity of the examining process, the board may:

(1) revoke, suspend or impose probationary conditions on any license or permit issued to such applicant;

(2) disqualify the applicant, permanently or for a specified period of time, from eligibility for licensure in the State of Louisiana; or

(3) disqualify the applicant, permanently or for a specified number of subsequent administrations of the examination, from eligibility for examination.

§ 6.23 Passing Score

An applicant will be deemed to have successfully passed the examination if he attains a score of at least 75.

§ 6.24 Restriction, Limitation on Examinations

An applicant having failed to attain a passing score upon taking the examination four times shall not thereafter be considered for licensing and shall not be eligible to take the examination again.

§ 6.25 Lost, Stolen or Destroyed Examinations

(a) The submission of an application for examination by the Board shall constitute and operate as an acknowledgment and agreement by the applicant that the liability of the board, its members, committees, employees and agents, and the State of Louisiana to the applicant for the loss, theft or destruction of all or any portion of an examination taken by the applicant, prior to the reporting of scores thereon by the Professional Examination Service, other than by intentional act, shall be limited exclusively to the refund of the fees paid for examination by the applicant.

(b) In the event that all or part of the examination taken by an applicant is lost, stolen or destroyed prior to the reporting of the applicants scores thereon, such applicant shall be permitted by the board to sit for and take such sections of the examination at either of the next two successively scheduled administrations of the examination, and such scores or averages as the applicant attains on such sections shall be averaged with the sections on which scores were previously reported in computing the applicant's score, which shall be accepted by the board.

Subpart G—Temporary Permits

§ 6.26 Temporary Permits in General

(a) With respect to applicants who do not meet or possess all of the qualifications and requirements for licensing, the board may, in its discretion, issue such temporary permits as are, in its judgment, necessary or appropriate to its responsibilities under law.

(b) A temporary permit entitles the holder to engage in the practice of physical therapy in the State of Louisiana only for the period of time specified by such permit and creates no right or entitlement to licensing or renewal of the permit after its expiration.

§ 6.27 Permit Pending Examination

(a) An applicant who possesses all of the qualifications for licensing prescribed by § 6.04(a) of this Part, save for § 6.04(a)(5), and who has applied to the board and completed all requirements for examination shall be issued a temporary permit to be effective pending the applicant's taking of the next scheduled physical therapy licensing examination and the reporting of the applicant's scores thereon to the board.

(b) A physical therapist holding a temporary permit issued under this Section may practice physical therapy only under the direction of a physical therapist licensed by the board, who shall provide such supervision of and instruction to the permit holder as is adequate to ensure the safety and welfare of patients.

(c) A temporary permit issued under this Section shall expire, and thereby become null, void and to no effect, on the earliest of any date that:

(1) the board gives written notice to the permit holder that he has failed to achieve a passing score on the licensing examination;

(2) the board gives written notice to the permit holder pursuant to § 6.21(c) that it has probable cause to believe that he has engaged or attempted to engage in conduct which subverted or undermined the integrity of the examination process;

(3) the permit holder is issued a license pursuant to § 6.30(a) or another type of permit as provided for by § 6.28 of this Part; or

(4) the holder of a permit issued under this Section fails to appear for and take the licensing examination for which he has registered.

§ 6.28 Permit Pending Reexamination

(a) An applicant who possesses all of the qualifications for licensing prescribed by § 6.04(a) of this Part, save for § 6.04(a)(4), who has once failed the licensing examination administered by the board, and who has applied to the board and completed all requirements for examination at the next scheduled date thereof shall be issued a temporary permit to be effective pending the applicant's taking of the next scheduled physical therapy licensing examination and the reporting of the applicant's scores thereon to the board.

(b) A physical therapist holding a temporary permit issued under this Section may practice physical therapy only under the direction of a physical therapist licensed by the board who shall provide such supervision of and instruction to the permit holder as is adequate to ensure the safety and welfare of patients.

(c) A temporary permit issued under this Section shall expire, and thereby become null, void and to no effect on the earliest of any date that:

(1) the board gives written notice to the permit holder that he has failed to achieve a passing score on his second taking of the licensing examination;

(2) the board gives written notice to the permit holder pursuant to § 6.21(c) that it has probable cause to believe that he has engaged or attempted to engage in conduct which subverted or undermined the integrity of the examination process; or

(3) the holder of a permit issued under this Section fails to appear for and take the licensing examination for which he has registered.

§ 6.29 Foreign Graduate Temporary Permit

(a) A foreign graduate who possesses all of the qualifications for licensing prescribed by § 6.08 of this Part, save for § 6.08(a)(3), shall be issued a temporary permit to engage in supervised clinical physical therapy training under the direction and supervision of a physical therapist licensed by the board for the purpose of fulfilling in whole or in part the requirements of § 6.08(a)(3).

(b) The holder of a permit issued under this Section shall not engage in the practice of physical therapy in any respect in the State of Louisiana or receive physical therapy educational training other than within the course and scope of the employment or association for which he is approved by the board.

(c) A temporary permit issued under this Section shall expire, and thereby becomes null and void and to no effect, on the date specified by such permit.

Subpart H—License and Permit Issuance, Termination, Renewal, Reinstatement

§ 6.30 Issuance of License

(a) If the qualifications, requirements and procedures pre-

scribed or incorporated by §§ 6.04 to 6.05, §§ 6.08 to 6.09 or § 6.11 are met to the satisfaction of the board, the board shall issue to the applicant a license to engage in the practice of physical therapy in the State of Louisiana.

(b) A license issued under § 6.04 of this Part shall be issued by the board within 30 days following the reporting of the applicant's licensing examination score to the board. A license issued under any other Section of this Part shall be issued by the board within 15 days following the meeting of the board next following the date on which the applicant's application, evidencing all requisite qualifications, is completed in every respect.

§ 6.31 Expiration of Licenses and Permits

(a) Every license or permit issued by the board under this Part, the expiration date of which is not stated thereon or provided by these rules, shall expire, and thereby become null, void and to no effect, on the last day of the year in which such license or permit was issued.

(b) The timely submission of an application for renewal of a license, but not a permit, as provided by § 6.32 of this Part, shall operate to continue the expiring license in full force and effect pending issuance of the renewal license.

(c) Permits are not subject to renewal.

§ 6.32 Renewal of License

(a) Every license issued by the board under this Part shall be renewed annually on or before its date of expiration by submitting to the board an application for renewal, upon forms supplied by the board, together with the renewal fee prescribed in Part 30 of these rules.

(b) An application for renewal of license form shall be mailed by the board to each person holding a license issued under this Part on or before the first day of December of each year. Such form shall be mailed to the most recent address of each licensee as reflected in the official records of the board.

§ 6.33 Reinstatement of License

(a) A license which has expired may be reinstated by the board subject to the conditions and procedures hereinafter provided.

(b) An application for reinstatement shall be made upon forms supplied by the board and accompanied by two letters of character recommendation from reputable physicians of the former licensee's last professional location, together with the applicable renewal and reinstatement fees.

Subpart I—Physical Therapy Advisory Committee

§ 6.34 Constitution of Committee

To assist the board in the review of applicants' qualifications for licensure under this Part and in the preparation and administration of the physical therapy licensing examination, the board shall constitute and appoint a Physical Therapy Advisory Committee (PTAC) which shall be organized and shall function in accordance with the provisions of this Subpart.

§ 6.35 Composition; Appointment

(a) The PTAC shall comprise four members who shall be physical therapists licensed by the board engaged in the active practice of physical therapy within the State of Louisiana.

(b) Insofar as possible or practical, in its appointment of members to the PTAC, the board shall maintain geographic diversity so as to provide membership on the PTAC by physical therapists residing and practicing in North, Central, Southwestern and Southeastern Louisiana.

(c) Each member of the PTAC shall be appointed by the board from among a list of not fewer than three nominees submitted to the board by the Louisiana Chapter of the American Physical Therapy Association (LPTA), or its successor. Each nomination so submitted shall be accompanied by a personal resume or curriculum vitae for the nominee together with a written consent to serve if appointed, subscribed by such nominee.

(d) Within 10 days of the effective date of these rules, the LPTA shall submit to the board a list of 10 nominees, from which the board shall appoint four members to the PTAC, two appointees designated to serve terms expiring on the last day of the year of appointment and two to serve terms expiring on the last day of the year succeeding the year of appointment. Thereafter, each member of the PTAC shall serve a term of two years, subject to removal at any time at the pleasure of the board. Members appointed to the PTAC by the board to fill a vacancy occurring on the PTAC other than by expiration of the designated term shall serve for the unexpired term. A member of the PTAC may be appointed by the board for not more than three consecutive terms.

(e) Following the board's appointment of the initial PTAC pursuant to the preceding Subsection, appointments to the PTAC shall be made by the board pursuant to Subsection (c) hereof. LPTA nominations for two members of the PTAC shall be annually delivered to the board on or before November 15. Other than the initial appointments provided for herein, board appointments to the PTAC shall be effective when made with respect to appointments for unexpired terms and otherwise shall be effective as of the first day of the year following the date of appointment.

§ 6.36 Delegated Duties and Responsibilities

(a) The PTAC is authorized by the board to:

(1) advise and assist the board in the development, preparation, administration and ongoing evaluation of the physical therapy licensing examination administered by the board;

(2) assist the board in examining the qualifications and credentials of and interviewing applicants for physical therapy licensure and permits and make recommendations thereon to the board;

(3) provide advice and recommendations to the board respecting the modification, amendment and supplementation of rules and regulations, standards, policies and procedures respecting physical therapy licensure and practice; and

(4) serve as a liaison between and among the board, licensed physical therapists and physical therapy professional associations.

(b) In discharging the functions authorized under this Section, the PTAC and the individual members thereof shall, when acting within the scope of such authority, be deemed agents of the board.

CHAPTER III
PRACTICE

Part 17—Physical Therapists
Subpart A—General Provisions

§ 17.01 Scope of Part

The rules of this Part govern the practice of physical therapy in the State of Louisiana.

§ 17.02 General Definitions

(a) As used in this Part, the following terms shall have the meanings specified:

(1) The term *board* means the Louisiana State Board of Medical Examiners.

(2) The term *license* means the lawful authority of a physical therapist to engage in the practice of physical therapy in the State of Louisiana, as evidenced by a certificate duly issued by and under the official seal of the board. A temporary permit is not a license.

(3) The term *Licensed Physical Therapist,* or "L.P.T.," means a physical therapist possessing a license issued by the board under Part 6 of these rules.

(4) The term *person* means and includes a natural person, partnership, corporation, association, or other entity having legal existence, unless the context requires a more limited meaning.

(5) The term *physical therapist* means a person possessing

a degree in physical therapy duly awarded by an educational institution approved by the board pursuant to § 6.06 of these rules.

(6) The term *Physical Therapy Practice Act* means La. Rev. Stat. 37:1401-2418, as hereafter amended or supplemented.

(7) The term *prescription* means a written order or directive for a diagnostic or therapeutic physical therapy procedure or regime subscribed by an individual lawfully authorized to make or give such order or directive.

(8) The term *state* means any state of the United States, the District of Columbia and Puerto Rico.

(b) Masculine terms wheresoever used in this Part shall also be deemed to include the feminine.

§ 17.03 Special Definition: Physical Therapy

(a) The *practice of physical therapy* means being engaged in administering, providing, performing or counseling in "physical therapy," as that term is defined by the Physical Therapy Practice Act, L.R.S. 37:2401(1), and as further defined by this rule.

(b) As used in the definition of *physical therapy* set forth in the Physical Therapy Practice Act, and as used in this Part, the following terms shall have the meanings specified:

(1) The term *passive manipulation* means manipulation or movement of musculature or joints other than by the spontaneous function of the body or active effort on the part of the patient.

(2) The term *physical rehabilitation measures* means the use of physical skills applied to the body or bodily functions to restore an ill or injured patient to self-sufficiency or to gainful employment at his highest attainable level in the shortest possible time.

(3) The term *physical therapy evaluation* means evaluation of a patient with respect to his suitability as a candidate for, and the potential efficacy of, physical therapy or other evaluation, applying physical therapy education, training and knowledge, of a patient's physical status, home, workplace, environment, or other factors bearing upon the patient's function, pain or disability.

(4) The term *consultative services* means providing information, advice or recommendations with respect to, but not the administration of, physical therapy.

(5) The term *supervision* means responsible, continuous, on-premises superintendence of procedures, functions and practice by one capable of and competent to perform such procedures, functions and practice.

(6) The term *licensed in this state* means possessing a current license to practice duly issued by an agency of the State of Louisiana.

(c) *Physical Therapy* shall not be deemed to extend to surgical or other invasive procedures, nor to any procedure or function determined by the board to be one which a physical therapist is, by education and training, not competent to perform with reasonable skill and safety to patients.

Subpart B—Prohibitions

§ 17.04 Unauthorized Practice

(a) No person shall engage in the practice of physical therapy in the State of Louisiana unless he has in his possession a current license or temporary permit duly issued by the board under Part 6 of these rules.

(b) No person shall hold himself or itself out to the public, an individual patient, a physician, dentist or podiatrist, or to any insurer or indemnity company or association or governmental authority as a physical therapist or physiotherapist, nor shall he or it directly or indirectly identify or designate himself or itself as a physical therapist, physiotherapist, registered physical therapist or licensed physical therapist, nor use in connection with his or its name the letters. P.T., L.P.T., or R.P.T. or any other words, letters, abbreviations, insignia or signs tending to indicate or imply that the person is a physical therapist or that the services provided by such person constitute physical therapy, unless such person possesses a current license or temporary permit duly issued by the board under Part 6 of these rules.

§ 17.05 Exemptions

(a) The prohibitions of § 17.04 of this Part shall not apply to a person employed by any department, agency or bureau of the United States Government when acting within the course and scope of such employment.

(b) The prohibitions of § 17.04(a) of this Part shall not apply to a person acting under and within the scope of a license issued by an agency of the State of Louisiana.

§ 17.06 Prohibitions: Licensed Physical Therapists

A Licensed Physical Therapist shall not:

(1) administer or implement any physical therapy diagnostic or therapeutic measures, procedures or regimes except upon the written referral or prescription of a physician, dentist or podiatrist licensed in this state;

(2) administer or use roentgen rays, radium, isotopes or ionizing radiation;

(3) prescribe, dispense or administer any controlled substances or other medications for ingestion, subtutaneous, transdermal, intramuscular or intravenous injection or topical application; or

(4) undertake to concurrently supervise more than two unlicensed physical therapy supportive personnel.

§ 17.07 Prohibitions: Temporary Permits

(a) An individual holding a temporary permit issued by the board by §§ 6.26 to 6.29 of these rules shall not engage in the practice of physical therapy in the State of Louisiana other than within the scope, and consistent with the term, conditions and restrictions, of such permit.

(b) An individual holding a temporary permit issued by the board under § 6.27 or § 6.28 of these rules shall engage in the practice of physical therapy in the State of Louisiana only under the direction and supervision of a Licensed Physical Therapist, which direction and supervision shall be subject to the restrictions and requirements prescribed by § 17.09 of this Part.

(c) An individual holding a temporary permit issued by the board under § 6.29 of these rules shall engage in the practice of physical therapy in the State of Louisiana only under the direction and supervision of, and within the course and scope of employment with, a person licensed to practice physical therapy in this state. Such direction, supervision and employment shall be subject to the restrictions and requirements prescribed by § 17.10 of this Part.

Subpart C—Supervised Practice

§ 17.08 Scope of Subpart

The rules of this Subpart prescribe certain restrictions on and requirements for supervision of physical therapists holding temporary permits issued by the board. For purposes of this Subpart, a physical therapist holding a temporary permit issued by the board is sometimes referred to as a "permittee."

§ 17.09 Supervision Pending Examination or Reexamination

(a) A physical therapist holding a temporary permit shall engage in the practice of physical therapy only as an employee of a Licensed Physical Therapist or a partnership of Licensed Physical Therapists, or as an employee of an individual or entity employing at least one Licensed Physical Therapist who assumes responsibility for the supervision of such permitee.

(b) A licensed physical therapist who undertakes to supervise a physical therapist holding a temporary permit under § 6.27 or § 6.28 of these rules shall:

(1) undertake to concurrently supervise not more than two permitees;

(2) personally evaluate every patient prior to the provision of any physical therapy treatment or procedure by a permitee;

(3) assign to a permitee only such physical therapy measures, treatments, procedures and functions as such Licensed Physical Therapist has documented that the permitee, by education and training, is capable of performing safely and effectively;

(4) provide continuous and immediate on-premises direction to and supervision of a permitee and be readily available at all times to provide advice, instruction, and assistance to the permitee and to the patient during physical therapy treatment given by a permitee; and

(5) provide and perform periodic evaluation of every patient administered to by a permitee and make modifications and adjustments in the patient's physical therapy treatment plan, including those portions of the treatment plan assigned to the permitee.

§ 17.10 Supervision of Foreign Graduates

(a) A foreign graduate holding a temporary permit issued under § 6.29 of these rules shall participate in clinical physical therapy education and training only as an employee of a licensed physical therapist or a partnership of licensed physical therapists, or as an employee of an individual or entity employing at least one licensed physical therapist who assumes responsibility for the education, training and supervision of such permitee.

(b) A licensed physical therapist who undertakes to educate, train and supervise a foreign graduate holding a temporary permit under § 6.29 of these rules shall be subject to the requirements and prohibitions specified by § 17.09 of this Subpart, and, in addition, shall:

(1) have possessed a license issued by the board under Part 6 of these rules for a period of not less than two years prior to undertaking the education, training and supervision of a permitee under this Section;

(2) have not been subject, within a period of five years prior to undertaking such responsibility, to administrative action by the board resulting in the suspension or revocation of, or the imposition of probationary conditions on, his physical therapy licensure; and

(3) provide the board with written certification, following the conclusion of a foreign graduate's clinical training as required by § 6.08(a)(3), that the permitee has accumulated not less than 2,000 hours of actual clinical experience in the practice of physical therapy under the supervision of the licensed physical therapist.

Subpart D—Grounds for Administrative Action

§ 17.11 Causes for Administrative Action

The board may refuse to issue a license or temporary permit to, or suspend, revoke or impose probationary conditions and restrictions on the license or temporary permit of a person on a finding of any of the causes provided by Section 2413A of the Physical Therapy Practice Act, L.R.S. 37:2413A.

§ 17.12 Causes for Action; Definition

(a) A person who "[a]ttempts to or attains a license by fraud or misrepresentations," as used in Section 2413A(2) of the Physical Therapy Practice Act, means and includes a person who:

(1) makes any representation to the board, knowingly or unknowingly, which is in fact false or misleading as to a material fact or omits to state any fact or matter that is material to an application for a license or temporary permit under Part 6 of these rules; or

(2) makes any representation, or fails to make a representation, engages in any act or omission which is false, deceptive, fraudulent or misleading in achieving or obtaining any of the qualifications for a license or permit required by Part 6 of these rules.

(b) As used in Section 2413A(4) of the Physical Therapy Practice Act, a "felony" means a crime defined as such under the laws of the United States, or of any state. The term "convicted," as applied to a licensed physical therapist, the holder of a temporary permit or an applicant for such license or permit, means that a judgment has been entered against such person by a court of competent jurisdiction on the basis of a finding or verdict of guilty or a plea of guilty or nolo contendere. Such a judgment provides cause for administrative action by the board so long as it has not been reversed by an appellate court of competent jurisdiction and notwithstanding the fact that an appeal or other application for relief from such judgment is pending.

(c) As used in Section 2413A(5) of the Physical Therapy Practice Act, "habitually intemperate" means:

(1) repeated excessive use or abuse of alcohol; or

(2) the ingestion, self-administration or other use of legally controlled substances or other medications affecting the central nervous system other than pursuant to and in accordance with a lawful prescription.

(d) As used in Section 2413A(5) of the Physical Therapy Practice Act, the phrase "addicted to the use of habit forming drugs" means physiological or psychological dependence on any legally controlled substance or any other medication with a potential for including physiological or psychological dependence or tolerance.

(e) As used in Section 2413A(7) of the Physical Therapy Practice Act, the term "unprofessional conduct" means:

(1) departure from, or failure to conform to, the minimal standards of acceptable and prevailing physical therapy practice in the State of Louisiana, regardless of whether actual injury to a patient results therefrom;

(2) conviction of any crime or entry of a plea of guilty or nolo contendere to any criminal charge arising out of or related to the practice of physical therapy;

(3) making or participating in any communication, advertisement or solicitation which is false, fraudulent, deceptive, misleading or unfair, or which contains a false, fraudulent, deceptive, misleading or unfair statement or claim;

(4) disclosure to a third-party not involved in a patient's care, without such patient's prior written consent, of information or records relating to the physical therapist-patient relationship, except when such disclosure is otherwise required or permitted by law;

(5) initiation or continuation of physical therapy services that are contraindicated or cannot reasonably result in a beneficial outcome; or

(6) abuse or exploitation of the physical therapist-patient relationship for the purpose of securing personal compensation, gratification or benefit unrelated to the provision of physical therapy services.

Interested persons may submit written comments on this proposed rule to J. Morgan Lyons, M.D., Louisiana State Board of Medical Examiners, 830 Union St. Suite 100, New Orleans, LA 70112. Telephone (504) 524-6763.

J. Morgan Lyons, M.D.
Chief Executive Officer
and Secretary-Treasurer

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Physical Therapist Licensing & Practice

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

It is not anticipated that the proposed rules will have a material impact on the costs incurred by the Board in licensing or regulating physical therapists.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

No material increase or decrease in net revenues is anticipated by virtue of the proposed rules.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

It is not anticipated that the proposed rules will result in any additional costs or material economic benefits or detriments to licensed physical therapists or applicants for such licensure.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

It is not anticipated that the proposed rules would have a significant or material effect on competition or employment in the public or private sector.

Morgan L. Lyons, M.D.
Chief Executive Officer
and Secretary-Treasurer

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Department of Health and Human Resources
Office of Family Security

Department of Health and Human Resources, Office of Family Security, proposes to adopt the following rule in the Title XIX Medical Assistance Program.

PROPOSED RULE

Effective July 1, 1985, the following *Standards for Payment: Adult Day Health Care Centers* will be adopted:

LOUISIANA STATE MEDICAID STANDARDS
STANDARDS FOR PAYMENT: ADULT DAY HEALTH CARE SERVICES

FORWARD

These Standards for Payment specify the requirements of the Adult Day Health Care Program. The program is funded as a waivered service through Title 19 of the Social Security Act and is administered by the Department of Health and Human Resources, Office of Family Security, in conjunction with other state and local agencies.

These standards provide a center with information necessary to fulfill its vendor contract with the State of Louisiana and are the basis for federal and state reviews and surveys.

PROGRAM DESCRIPTION

An Adult Day Health Care (ADHC) program provides direct care for five or more hours in a 24 hour week day to individuals who are physically and/or mentally impaired. The target group is those individuals who need direct professional medical supervision or personal care supervision. It shall be a requirement for program eligibility that such individuals would require intermediate care or skilled nursing services were they not enrolled in an Adult Day Health Care center.

This program expands the array of services available to functionally-impaired individuals and helps bridge the gap between independence and institutionalization, allowing them to remain in their own homes and communities.

Adult Day Health Care programs work toward the following goals:

1. to promote the individual's maximum level of independence;
2. to maintain the individual's present level of functioning as long as possible, preventing or delaying further deterioration;
3. to restore and rehabilitate the individual to the highest possible level of functioning;
4. to provide support and education for families and other caregivers;
5. to foster socialization and peer interaction;
6. to serve as an integral part of the community services network and the long-term care continuum of services.

The long-range goal for all Adult Day Health Care participants shall be the delay or prevention of 24 hour care.

I. DEFINITIONS

A. *Adult Day Health Care Center* - Act 705 of the 1984 Louisiana Legislature defines this as "any place owned or operated for profit or not for profit by a person, agency, corporation, institution or any other group wherein are received for a portion of the 24-hour day 10 or more functionally-impaired adults who are not related to the owner or operator of the center."

B. *Adult Day Health Care* is a group program designed to meet the individual needs of functionally impaired adults which is structured and comprehensive and which provides a variety of health, social and related support services in a protective setting. "Adult Day Care" and "Adult Day Health Care" are synonymous where they appear in this document.

C. *Applicant* refers to an individual whose written application for Medicaid has been submitted to the agency but whose financial or medical eligibility has not yet been determined.

D. *Attending Physician* refers to a physician, currently licensed by the Louisiana State Board of Medical Examiners, who is designated by the recipient or responsible party as responsible for the direction of the recipient's overall medical care.

E. *Functionally-impaired adults* are those persons who are physically, mentally or socially impaired to the degree that they are in need of medical or personal supervision.

F. *DHHR* - Department of Health and Human Resources, the state agency responsible for Title 19 (Medicaid) in Louisiana.

G. *DHHS* - The Department of Health and Human Services, the federal agency responsible for administering the Medicaid program.

H. *Enrollment* refers to the act of registering a licensed and certified center provider into the computerized system for payment of eligible services under the Medical Assistance Program. Enrollment includes the execution of the provider agreement and assignment of the provider number used for payment.

I. *FFP* - Federal Financial Participation.

J. *HFCA* - Health Care Financing Administration, the organization within DHHS responsible for administrating the Medicaid program.

K. *ICF* - Intermediate Care Facility.

L. *LTC* - Long Term Care.

M. *Medicaid* refers to the medical assistance provided under the state plan approved under Title 19 of the Social Security Act.

N. *Medicaid Management Information System* refers to the computerized system which lists all providers eligible for participation in the Medical Assistance Program. This system is an organized method of payment for claims for all Title 19 services. It includes all Title 19 providers and all recipients.

O. *Medical Assistance Program* - the division within OFS specifically responsible for administering Title 19 (Medicaid) in Louisiana.

P. *OFS* - Office of Family Security, the agency within DHHR responsible for administering Title 19 (Medicaid) in Louisiana.

Q. *Participant* - refers to Title 19 applicant or recipient.

R. *Recipient* - refers to an individual who has been found eligible for Title 19 benefits or vendor payments.

S. *Responsible party* is the individual or group designated

by the participant to handle finances or to be called in case of an emergency.

T. *SNF* - Skilled Nursing Care.

II. LICENSURE

In accordance with Public Act 705 of the 1984 Louisiana Legislature and federal regulations governing reimbursement for Title 19 services, enrolled Title 19 Adult Day Health Care centers shall be licensed by DHHR. An application for this may be obtained by contacting the Division of Licensing and Certification.

Such licensure shall be one of two standards to participate as a Title 19 provider. The second standard for participation is the execution of a provider agreement wherein a provider agrees to comply with *Standards for Payment: Adult Day Health Care Centers.*

III. PROVIDER AGREEMENT

A. Each Adult Day Health Care center shall enter into a provider agreement with DHHR to provide services through Title 19. An application for enrollment may be obtained by contacting the Office of Family Security, Long Term Care (LTC) Provider Enrollment Section.

B. If OFS has documentation showing good cause (other than lack of funding), it may refuse to execute an agreement with a provider or may cancel an agreement with a certified center.

C. The effective date of the provider agreement shall be no earlier than the effective date the center becomes licensed.

D. The provider agreement shall be limited to one year from the effective date of the previous provider agreement.

E. The provider agrees:

1. To provide Adult Day Health Care services to aged and disabled adults who are admitted in accordance with the provider's admission policies.

2. To be licensed by the Division of Licensing and Certification as meeting Louisiana licensure standards for adult day health care centers.

3. Not to request or accept payment from DHHR, OFS, unless the participant for whom payment is requested is receiving services as specified in the *Standards for Payment: Adult Day Health Care Centers.*

4. That when a Title 19 recipient applies for admission to the center, the center shall apply for Adult Day Health Care Center vendor payments on behalf of that individual.

5. To notify the Division of Licensing and Certification and the Office of Family Security (Long Term Care Unit) in writing two weeks in advance of changes which would affect this agreement. No such changes shall be effected until written approval is given by OFS. Information in the OFS Provider Enrollment Form(s) PE-50 and ownership data shall be kept current with the understanding that the Provider Enrollment Form(s) and ownership data become a part of this contract and that each succeeding change in the Provider Enrollment Form constitutes an amendment to this contract and that failure to keep the information current constitutes a breach of the contract making it subject to immediate cancellation.

6. To allow each participant free choice of Medicaid service providers.

7. To have appropriate staff chart all medications and treatments administered to participants at the center.

8. To maintain adequate records which itemize all charges made to a participant or third party and to make these records available when requested by DHHS, DHHR, OFS, or any other state or federal agency responsible in any way for the administration of Title 19 or state funding for this service.

9. To accept, as payment in full, the amounts paid in accordance with established fees for services billed.

10. To have a center policy which all employees sign and which specifies that the center does not require or expect or accept tips for services by center employees.

11. To immediately notify the participant's attending physician and responsible relatives of any emergency involving the participant.

12. To promptly (no later than 24 hours) notify the OFS regional and parish offices in writing when a participant dies or is discharged from the center.

13. To have nursing staff certify to the receipt of prescribed medication by legible signature and agree to comply with all Louisiana laws, rules and regulations regarding medication control and disbursement.

14. To immediately notify the OFS parish office when the participant requests to see his/her OFS worker.

15. To maintain and keep any records necessary to disclose the extent of services the center furnishes to Medicaid participants and to have such records available for inspection for three years following the end of each three-year waiver period.

16. Upon request, to furnish to DHHR, DHHS, the comptroller general, or the Medicaid Fraud Control Unit, or their agents, any information maintained in Item 15 above and any information regarding payments claimed by or made to the center for furnishing services to Medicaid recipients.

17. To comply with disclosure of ownership and control information and disclosure of information on owners and other persons convicted of criminal offenses against the Medicaid program.

18. To operate the center in accordance with the Civil Rights Act of 1964 and its amendments. This means that individuals are accepted and cared for and that all services and facilities (waiting rooms, toilets, dining room, and recreation rooms) are available to persons without regard to race, color, age, sex, or national origin. Also public facilities are available to visitors without regard to race, color, age, sex, or national origin.

19. To submit a quarterly report on personnel to the Division of Licensing and Certification, and to notify appropriate personnel in that division when there is a change in the number of personnel in any classification or any other change that may affect the licensing status of the center.

20. To comply with the requirements of the *Standards for Payment: Adult Day Health Care* and state health and safety laws.

21. To submit a properly completed cost report within 90 days of the provider's fiscal year closing date. If the cost report is not submitted as required, a penalty of five percent of the total monthly payment for each month of non-compliance may be levied. The agency may grant one 30-day extension of the 90-day limit upon request of the provider after having shown just cause. This penalty may be increased by five percent for each succeeding month of non-compliance.

22. That if the provider has authorized a representative to enter into this agreement the provider shall sign, and provide DHHR, OFS, a copy of an affidavit delegating the said person as agent and authorized representative.

23. That in the event DHHR, OFS determines certain costs which have been reimbursed to the provider pursuant to this or previous agreements are not allowable, DHHR shall have the right to recoup and/or set off and/or withhold said amount from amounts due the provider under this agreement for costs that are allowed.

F. DHHR agrees:

To make payment to the provider on behalf of eligible participants if the provider is enrolled as a Title 19 provider of adult day health care services. The provider will be paid an individual, prospectively-determined rate based on reasonable, allowable costs. This rate shall not exceed 80 percent of the current ICF II rate.

G. Both parties mutually agree:

1. That this contract shall be for one year and may be renewed and extended by DHHR, OFS, provided compliance is maintained by the provider with licensing standards for adult day health care centers and *Standards for Payment Adult Day Health Care Centers* and any and all other rules and regulations governing adult day health care centers.

2. That DHHR, OFS, will renew or extend this contract in a written notice to the provider. Such notice will state the terms and any further conditions for enrollment under which the contract is to be renewed and extended and each such notice shall be incorporated into and become a part of this contract.

3. That this agreement shall not be transferable or assignable.

4. That this agreement shall be performed in a manner consistent with the applicable provisions of Title 19 of the Social Security Act and the provisions of the *Standards for Payment: Adult Day Health Care Centers* and licensing standards for adult day health care centers. Any future modifications or amendments to said Act or said standards shall likewise be binding on the parties hereto.

5. That any breach or violation of any provision of this agreement shall make this entire contract subject to immediate cancellation.

IV. INTERDISCIPLINARY (ID) TEAM

A. The ID Team for each center shall be composed of at least the following individuals who may be consultants or center staff:

1. a social worker (MSW);

2. a registered nurse (RN) licensed to practice in Louisiana;

3. the participant;

4. at least one direct-care staff person from the center.

B. Responsibilities of ID Team

1. The RN and MSW members of the ID Team shall, at admission and at least yearly, assess each participant as specified in Section V.

2. The MSW shall, at admission, assess each participant's home situation to determine which services are required to maintain the integrity of that setting to enable continued placement of the participant. OFS Form ADHC-1 shall be used for this assessment. This requirement is waived for three months after the implementation of these standards. Annually, thereafter, the MSW shall evaluate the Social Services Designee's (SSD) on-site assessment of the participant's home situation.

3. The ID Team shall develop and update the care plan as specified in Sections VI and VII.

4. The ID Team shall, at least quarterly, review and analyze incident reports as specified in Section XVI.

5. The RN consultant responsibilities also shall, at least, include:

(a) a medication review for each participant at least monthly to determine the appropriateness of the medication regimen. Such a review shall also be done whenever there is a change in the medication regimen;

(b) a monthly review of each participant's medication administration sheet to determine if medications are properly administered in the center;

(c) supervision of the center's plan for self-administration of medication by participants;

(d) health education for staff;

(e) insuring that diagnoses are compiled into a central location in the participant's record and updated when there is a change.

C. The ID Team shall make appropriate referrals to other disciplines:

1. The services of physical or speech therapists are available through the Title 19 program and appropriate referrals shall be made when the functional capacity of the participant may be enhanced through provision of such services.

2. The ID Team shall make referrals as indicated to other disciplines and for any other service which would enhance the functional capacity of a participant.

V. ID TEAM ASSESSMENTS

A. Assessments shall be completed prior to staffing.

B. The primary source of information shall be the participant. Other information may be obtained with the participant's written permission, from family, social/medical agencies and other interested parties, unless the participant's rights have devolved as in Section X.E. The MSW shall document efforts to involve the primary caretakers in the assessment process.

C. Assessments shall identify the participant's specific strengths, problems and needs particularly in the home, but also in the ADHC setting.

D. Assessments shall be recorded and each participant shall be reassessed at least annually by the MSW and the RN.

E. The Social Service Designee of the center shall update the social work assessment on OFS Form ADHC-1 at least quarterly, but whenever there is a significant change in the home setting which may precipitate 24 hour care. Each update shall involve contact with the participant's primary caretakers. At least annually, the SSD shall update the assessment as a result of a visit to the participant's home and contact with the primary caretakers in that setting.

F. The physician assessment shall be done annually. The OFS Form 90-L shall be used for this assessment.

VI. STAFFINGS

Staffings shall be conducted in a group meeting including the participant, at least one center staff member, and the ID team.

A. After initial assessment by the ID Team, each participant shall be individually staffed to develop a viable plan of care for the participant.

B. The participant is the primary source of information during staffing. In the event the requirements of Section X. E. have been met, the primary caretaker of the participant or responsible party in the home serves in this capacity.

C. A staffing for each participant shall be conducted at least quarterly, and whenever the recipient situation obsoletes more than 25 percent of the problems, goals or approaches in the care plan. It is not necessary to staff the participant when there is a simple change in the care plan, such as a minor change in medication or a minor change in the approach for a specific goal. In such cases, the ID Team member and center staff responsible for the goal/approach shall revise the plan and initial and date the change.

VII. PLAN OF CARE

A. All services shall be provided according to the individual, written plan of care which is reviewed and updated as specified in Section VI.

1. Be a result of an interdisciplinary staffing in which the participant and direct care staff participate (See Section VI);

2. be written in terminology which all center personnel can understand;

3. list the identified problems and needs of the participant for which intervention is indicated, as identified in assessments, progress notes and medical reports;

4. propose a reasonable, measurable short-term goal for each problem/need;

5. contain the necessary elements of the center's Self Administration of Medication Plan, if applicable;

6. use the strengths of the participant in developing approaches to problems;

7. specify the approaches to be used for each problem and that each approach is appropriate to effect positive change for that problem;

8. identify the staff member responsible for carrying out each approach;

9. project the resolution date or review date for each problem;

10. specify the frequency of each approach/service;

11. contain a sufficient explanation of why the participant would require 24 hour care were he/she not receiving ADHC services;

12. include the number of days and time of scheduled attendance each week;

13. include discharge as a goal;

14. be kept in the participant's record used by direct care staff.

B. At least 75 of the services contained in the care plan shall be from among those listed in Section IX. A. and in no event shall more than 25 percent be from Section IX.B.

VIII. PROGRESS NOTES

Progress notes are ongoing assessments of the participant which enable staff to update the plan of care in a timely, effective manner. Each individual responsible for providing direct services shall record progress notes at least monthly. All progress notes shall:

1. provide documentation that staff are carrying out the approaches in the care plan for which each is responsible;

2. record progress made and discuss whether or not the approaches in the care plan are working;

3. document delivery of any service identified on the care plan;

4. record any changes in the participant's medical condition, behavior or home situation which may indicate a need for a care plan change;

5. document that incident reports have been completed when appropriate;

6. be legibly signed and fully dated.

IX. SERVICES TO BE PROVIDED

The ultimate goal of all services provided is greater independence and community involvement to enable prevention or delay of 24 hour institutional care.

All nursing and social services shall be provided in accordance with acceptable professional practice standards for each discipline.

A. As a minimum, each center shall make available the following required services:

1. usage of reality orientation by all staff, as well as daily orientation classes;

2. individualized training in the activities of daily living (toileting, grooming, etc.);

3. interdisciplinary team staffing;

4. health and nutrition counselling;

5. professional social services as specified in Section IV.B.2.;

6. an individualized exercise program;

7. an individualized, goal-directed recreation program;

8. health education classes;

9. daily individualized health services to include at least nursing services that consist of:

(a) monthly assessment of each participant's medication regimen to evaluate contraindications, the need for appropriate laboratory monitoring and referrals to the attending physician for such tests and the efficacy of the drugs prescribed;

(b) monitoring of vital signs appropriate to the diagnosis and medication regimen of each participant but no less frequently than monthly;

(c) administration of medications and treatments in accordance with physician orders and acceptable nursing practice standards;

(d) a self administration of medication plan for the center which is individualized for each participant for whom it is indicated;

(e) serving as a coordinator and advocate between the participant and medical resources, including the treating physician.

10. individualized leisure skill development and education;

11. one nutritionally balanced hot meal each day and two snacks. This service shall be provided in accordance with the nutritional needs of the participant. Liquids shall be available and easily accessible.

12. intellectual and educational development opportunities (bookmobile, talking library, etc.);

13. transportation to and from the center at the beginning and end of the program day.

B. Only the following additional services and activities shall be reimbursed by OFS:

1. field trips (intellectual and emotional stimulation);

2. volunteer group visits (emotional stimulation);

3. meal preparation (functional capacity);

4. taping of oral histories (intellectual stimulation);

5. participant interaction with volunteers other than those serving as staff in the center (emotional stimulation);

6. bill paying and letter writing sessions (functional capacity stimulation);

7. films at the center (intellectual stimulation);

8. sing-a-longs (social interaction and stimulation);

9. recording of nutritional intake (functional capacity);

10. educational and recreational films (intellectual and emotional stimulation and functional capacity);

11. educational lectures (functional capacity);

12. assistance with obtaining, utilizing and maintaining food stamps, grants and other economic stabilization activities;

13. transportation to and from social/medical services.

X. PARTICIPANT RIGHTS

A. The staff of each center shall be trained to protect the rights of the participants.

B. Before or upon admission, or upon adoption of participant rights policies by the center, each participant shall be provided a copy of and explained the center's participant rights policy and any amendments.

C. Each participant shall acknowledge receipt of this document in writing and the acknowledgement shall be filed in the participant's record. If the participant signs with a mark or is mentally retarded, two witnesses shall be required. The mark shall be bracketed and identified as indicated below:

HER (X) MARK _____ _____
MARY JONES WITNESS

_____
WITNESS

D. Participant rights shall include at least the following items:

1. Each participant shall be informed of his/her responsibilities to the center and of all rules governing participant conduct and behavior. The regulations of the center shall be fully explained.

2. If the center changes its participant rights policies, each participant shall acknowledge in writing receipt of the change and the acknowledgement shall be filed in the participant's record.

3. Each participant shall be informed in writing of all services available in the center. The charges for these services shall be specified when they are not covered in the center's basic Title 19 rate per day. Receipt of this information and any changes in it shall be acknowledged by the participant in writing and the acknowledgement shall be filed in the participant's record.

4. Each participant shall be provided the opportunity to participate in each interdisciplinary staffing meeting and any other meeting involving the care of the participant.

5. Each participant shall be afforded the opportunity to refuse any service provided in the center.

6. Each participant shall give informed, written consent before participating in experimental research or any studies conducted at the center.

7. Each participant shall be encouraged and assisted to exercise his/her rights as a participant at the center and as a citizen.

8. Each participant shall be allowed to submit complaints or recommendations about the policies and services of the center to staff or to outside representatives. Participants shall be allowed to do this free from restraint, interference, coercion, discrimination or reprisal.

9. Each participant shall be free from mental and physical abuse.

10. Each participant shall be free from physical restraint.

(a) Physical restraint shall be used only when ordered by the attending physician.

(b) The physician's order for restraint shall be filed in the participant's record, specify the reason for using restraint and include a specific time frame for using restraint.

(c) Participants who are mechanically restrained shall be monitored at least every 30 minutes to insure that circulation is not impaired and that positioning is comfortable.

(d) Participants being mechanically restrained shall be released and be provided the opportunity for exercise at least every two hours; center staff shall document this activity each time the participant is released.

(e) Physical restraint may be used without a physician's order in an emergency only under the following conditions:

(i) use of restraint is necessary to protect the participant from injuring himself/herself or others;

(ii) the use of restraint is authorized by the individual who is identified in the written policies and procedures as having the authority to do so;

(iii) use of restraint is reported at once to the attending physician by the staff person referred to in (ii) above.

11. Each participant shall be treated with consideration, respect and full recognition of his or her dignity and individuality.

12. Each participant shall be afforded privacy during the provision of personal needs services.

13. No participant shall be required to perform services for the center. This shall be allowed by the center only when a specific service is identified in the plan of care as an appropriate approach to a need or problem of the participant.

14. Each participant shall be allowed to communicate, associate, and meet privately with individuals of his/her choice, unless this infringes on the rights of another participant.

E. Devolvement of Participant Rights

Under the following conditions, the center shall insure that participant rights devolve to the responsible party, next of kin or sponsoring agency. If the participant rights have devolved to the responsible party, next of kin or sponsoring agency, that party shall receive the explanation of and sign the participant rights and any other documents described in these standards.

1. The participant has been interdicted in a court of law. In such cases, the center shall insure that the participant's rights devolve to the curator/curatrix of record and that the interdication is documented on the inside front cover of the participant's record. The center shall have an official document verifying the participant has indeed been interdicted.

2. The participant's attending physician signs a statement at least quarterly that the participant is unable to exercise his/her Title 19 Participant Rights because of a specific medical diagnosis. In such cases, the center shall insure that participant rights devolve to the responsible party of record (Form 90L).

XI. ELIGIBILITY CRITERIA FOR ADULT DAY HEALTH CARE CERTIFICATION

A. The individual must meet the level of care criteria for SNF, ICF I or ICF II care found in Appendix I.

B. It must be determined by OFS at admission and during UR that the individual's home setting would not suffice as a placement unless ADHC services were being provided.

C. It must be determined by OFS at admission and during UR that health and other services will be provided according to an approved written plan of care.

D. The individual must meet categorically-related eligibility requirements as specified in OFS Chapter 19 policy.

E. No recipient of medically needy benefits shall be simultaneously eligible for adult day health care services, since these individuals are not eligible for long term care services. Recipients of inpatient hospital, ICF I, ICF II or ICF/H, or SNF services shall not be simultaneously eligible for ADHC services.

F. An individual who has not attended a center for 14 consecutive calendar days or more shall not be eligible for ADHC services. An exception to this is the individual who is absent from the center because of hospitalization or an illness which is documented in the center's records.

G. After an individual has been absent 14 consecutive calendar days, the center shall, within 24 hours notify both the parish and regional OFS offices by OFS Form 148.

H. For patient liability information see Section XVIII and OFS Chapter 19 policy.

XII. OFS ADMISSION ASSESSMENT

A. Asssessment of applications for medical certification for Adult Day Health Care shall be conducted by the OFS Admission Review Unit. Current data is defined as completed within 30 days prior to the receipt by the Admission Review Unit. The psychiatric and psychological evaluations shall be considered current if they are signed and dated within 90 days of receipt by the Admission Review Unit. If the full psychological evaluation is over 90 days old, but no more than three years old, it may be updated by the same psychologist who completed the original evaluation. Admission assessment data for each participant shall include:

1. A plan of care which contains the information specified in Section VII.

2. A current medical/social evaluation (Form 90L and Form ADHC-1) properly completed, signed and dated. The doctor's signature must be legible and his/her phone number must be given.

3. Form 148 (Notice of Admission or Change);

4. When the only disability is psychiatric, a psychiatric evaluation which contains:

(a) mental status;

(b) severity of handicap;

(c) diagnosis;

(d) prognosis;

(e) intellectual capacity;

(f) functional capacity.

5. When the only impairment is mental deficiency, a psychological evaluation which shall identify the functional capacity and the intellectual quotient of the applicant as a result of the evaluation.

Rubber stamps are not acceptable as evaluator signatures on any of these forms.

B. The Admission Review Unit may request additional information if, for any reason, the data originally submitted were insufficient to determine medical or ADHC eligibility.

This request shall have a 15 day timely notice of closure should the requested information not be sent promptly.

C. DHHR shall not guarantee medical certification for a participant admitted to a center before certification is obtained through admission assessment of written material. A care plan shall also not be approved by OFS prior to review of written material.

D. The effective date of medical and financial certification shall be no earlier than the date the participant was staffed and the care plan developed.

E. OFS Review and Medical Certification Criteria

1. A registered nurse and a social worker shall review each application for medical certification within seven working days after receipt of the necessary evaluation materials.

2. The purpose of this review shall be:

(a) To insure that physician certification of the need for ICF or SNF services is properly documented;

(b) To insure that physician-written orders and the Medical/Social Evaluation form are properly completed, signed, and that the information contained therein substantiates the applicant's need for ICF or SNF level of care according to the criteria in Appendix I;

(c) To insure that the plan of care:

(i) contains an adequate explanation of why the applicant would need ICF or SNF care if not attending an ADHC center;

(ii) has goals and approaches on the plan which are directed toward the long range goal of prevention of 24 hour care;

(iii) contains health services.

3. In addition to the level of care criteria, special emphasis shall be placed by the Admission Review Unit on assessing the functional level of the applicant within the context of environmental factors. For instance, an applicant who needs constant supervision may require ICF II level of care because the one individual available in the home to provide this supervision can no longer bear the strain of this responsibility seven days a week. Another applicant with similar needs may not require ICF II care because there are many relatives willing to share this responsibility.

4. If the Admission Review Unit finds the applicant meets the criteria to be eligible for certification for ADHC:

a. Form 142 shall be issued certifying for either ICF I, II or SNF care. The Admission Review Unit will enter the certification date on the lower left hand corner of the form. Copies of the form shall be sent to:

(i) the center director;

(ii) the applicant;

(iii) the OFS parish office.

b. The care plan shall be approved. The effective date of medical certification is the date the applicant was staffed.

c. Form 51NH shall be completed upon receipt of verification of financial eligibility by the parish office and sent to the center. A review date of 12 months from the date of certification shall be assigned.

The effective date of certification shall be no earlier than the date the applicant was staffed and the care plan developed provided the applicant was financially eligible on that date.

d. The State Office Admission Review Unit is responsible for requesting incapacity decisions from Medical/Social Review Team (MSRT). Incapacity decisions are not needed for those recipients who are over age 65 and who are SSI (Supplemental Security Income) and/or SSA (Social Security Administration) Disability eligible. The center shall submit Form 90-L, Form ADHC-1, the plan of care and psychiatric and/or psychological evaluations when necessary to the parish office.

5. If the Assessment Review Unit finds that the applicant does not meet the criteria for ICF or SNF care, Form 142 shall be issued denying certification. Review and approval of the care plan is not necessary since the applicant does not meet level of care criteria. Copies are disposed of as in Number 4 above.

6. If the Assessment Review Unit finds that the applicant meets the criteria for ICF or SNF but the care plan does not meet the criteria described in Section VII or Section XII. 2(c) above:

a. the OFS section of the care plan shall be completed checking the appropriate block;

b. Form 142 shall be issued denying medical certification (block I. B.).

7. If either the social worker or nurse is unable to make a determination for eligibility, the case is referred for supervisory review. The results of supervisory review shall be final.

8. The application shall be denied if all necessary data have not been submitted at the end of 35 days from the date the application was received.

9. If application for medical certification is denied, the applicant is notified of his/her right to appeal the decision by the parish office at the time the financial application is denied.

10. provisional or emergency approval shall not be granted for medical certification for adult day health care services.

XIII. UTILIZATION REVIEW (UR)

The OFS regional offices shall conduct UR of each participant's need for continued ICF or SNF care at least annually.

A. For newly enrolled centers, the UR date shall be 12 months from the effective date of certification as a Title 19 provider.

B. For centers which have been previously reviewed, the UR date shall be 12 months from the date of the previous exit conference.

C. If at all possible, UR shall be conducted in conjunction with inspection of care.

D. The interval between UR exit conference dates shall not exceed 12 months.

E. Composition of UR Team

1. The UR Team shall be composed of at least one social worker and one registered nurse, both of whom conduct the on-site review.

2. The UR Team shall not include any individual who has a financial interest in or who is employed by any long term care provider.

3. The team leader may be either the RN or the social worker.

F. Center Responsibilities

See Section XIV for the center's responsibilities during any review.

G. UR Team Responsibilities

1. If the UR is conducted in conjunction with an Inspection of Care, refer to Section XIV for team responsibilities.

2. If the UR is conducted independently of the Inspection of Care, the UR Team has the following responsibilities:

(a) If the team elects to notify the center of the review, this shall be done no more than 24 hours prior to the inspection. It is recommended that the center not be notified.

(b) The team shall insure that it has a current list of all Title 19 eligibles and applicants receiving services from the center. This shall include participants for whom vendor payments to the center is not being made but who are eligible for Medicaid.

(c) The team shall hold an entrance conference with the center director or designee which shall cover the following points:

(1) the purpose of the review;

(2) the specific materials needed for review;

(3) the expected duration of the review and whether the review may be interrupted by the team;

(4) notification that an exit conference will be held at the conclusion of the review.

(d) the team shall assess each participant's continued need for ICF or SNF services. Materials to be reviewed for this purpose shall include:

(1) A current (completed within 12 months) physician certification of the need for the specific level of care for which the participant is certified;

(2) A current (completed within one year and reviewed and updated at least quarterly) plan of care which includes the information specified in Section VII;

(3) Current (completed at least quarterly) social work assessments and updates;

(4) Other material needed to determine the need for continued stay at the certified level of care;

(5) The discharge plan.

(e) The team shall determine if each Title 19 applicant or recipient continues to meet the criteria specified in Section IX.

(f) The team shall review time and attendance records to insure that no participant was absent for a period of 14 or more calendar days without the center fulfilling its responsibilities to notify OFS parish and regional offices as specified in Section XIX. If the team finds that a participant was absent for a period of 14 or more calendar days, and the center did not fulfill its responsibilities to notify OFS parish and regional offices, the center shall be cited.

(g) If the team finds that the participant continues to meet those criteria, Form 51NH shall be issued assigning a review date 12 months from the date of the exit conference. The team shall sign and approve the current care plan.

(h) If the team finds that a participant no longer meets the criteria in Section XI, Form 142 shall be completed denying continued medical certification. Item II.A. on Form 142 should be checked and completed as follows: "Medicaid payment will continue for above type services through the period of advance notice." Advance notice of closure and participant appeal rights shall be sent by the parish office when the vendor payment is closed. The center shall implement discharge of the participant during the effective period of the advance notice.

(i) When a participant's record lacks sufficient or current data on which to base a determination, the center shall be cited in the Utilization Review Report.

(j) Prior to the exit conference, the team shall compile a list of participants who no longer require ADHC services and a list of those participants for whom a determination could not be made.

(k) An exit conference shall be held to provide a verbal report of the team's findings. The conference shall include at least:

(1) a description of the deficiencies identified during the review;

(2) the names of those individuals found to no longer require ADHC services;

(3) the names of those individuals for whom a determination could not be made;

(4) that the information necessary to make a determination shall be forwarded to the regional office within 25 days of the exit conference date the medical certification of the participant shall be terminated.

(l) If the requested material for utilization review is not received by the regional office within that time frame, under no circumstances is an ADHC recipient to remain certified for Title 19 for more than 30 days when the need for continued stay cannot be determined. Form 142 shall be issued terminating medical certification. Item II. A. on Form 142 should be checked and completed as follows: "Medicaid payment will continue for above type services through the period of advance notice."

(m) A review report shall be prepared whether or not deficiencies were identified during the utilization review. This report shall contain all of the information required by established DHHR procedure and shall be submitted to the center within the time frame specified in that procedure.

XIV. INSPECTION OF CARE

At least annually, each center with at least one Medicaid recipient or applicant participating shall be inspected. If at all possible, this inspection shall be conducted in conjunction with UR. If the team elects to notify the center of the review, this shall be done no more than 24 hours prior to the inspection. It is recommended that the center not be notified. DHHR reserves the right to inspect any center at any time without prior notification.

A. Purpose of Inspection

Inspections of Care shall be conducted to determine if Medicaid recipients or applicants in Title 19 enrolled Adult Day Health Care centers are, in fact, receiving health, social, recreational, nursing and personal care services that are optimal in quality, adequate in quantity and sufficient in scope, and are being provided in a timely manner under circumstances most favorable to the promotion of physical, social, emotional and functional well being of each Medicaid recipient.

B. Composition of Inspection Team

The team shall be composed as specified in Section XIII.

C. Frequency of Inspections

1. Each center shall be inspected at least annually; however, the frequency of inspections shall be based on the quality of care and services provided by a center as determined by state reviews and surveys and complaints investigated.

2. The quality of care determination by OFS is based on the degree to which a center complies with *Standards for Payment: Adult Day Health Care Centers,* the fiscal integrity with which the center is administered and Division of Licensing and Certification reports.

D. Follow Up Reviews

1. When an Inspection of Care results in a determination that serious deficiencies exist in a center, a follow-up review shall be conducted between 15 and 45 days after the inspection to determine if adequate corrective action has been taken.

2. Inspection team responsibilities during a follow-up review are as outlined in Section XIV except that:

(i) At least a 10 percent sample of Title 19 recipients and applicants shall be reviewed;

(ii) Only the areas in which the center was found deficient shall be reviewed.

3. Follow-up reviews are closely related to the imposition of sanctions (See Section XVIII).

E. Center Responsibilities

The center shall cooperate in the review by:

1. promptly providing all necessary documents needed for review;

2. providing adequate space and privacy for the team to review records uninterrupted;

3. assisting with the identification and/or location of individual participants;

4. insuring that at least six months of current information is included in the active participant records, except that physician certification or recertification documents and interdisciplinary team assessments shall remain on file for the period of their currency;

5. arranging for pertinent personnel to attend the exit conference.

F. Inspection Team Responsibilities

1. Prior to the inspection, the team shall review:

(a) All Division of Licensing and Certification, Inspection of Care and UR reports from the previous calendar year;

(b) All complaints about the center investigated during the previous calendar year.

2. The team shall compile a current list of all Title 19 recipients and applicants, including those for whom vendor payment to the center is not being made.

3. The team shall hold an entrance conference. See Section XIII, G.2. (c) for details.

4. The social worker and RN shall each review the center record for each Title 19 participant. The team shall review at least the following items to assess the quality of care provided and to determine the need for continued stay:

(a) medical, social, nursing and any other assessments which identify the needs of the participants;

(b) the plan of care;

(c) interdisciplinary progress notes;

(d) physician orders;

(e) The team shall review time and attendance records to insure that no participant was absent for a period of 14 or more calendar days without the center fulfilling its responsibilities to notify OFS parish and regional offices as specified in Section XIX. If the Team finds that a participant was absent for a period of 14 or more calendar days and the center did not fulfill its responsibilities to notify OFS parish and regional offices, the center will be cited.

(f) Any other center records which provide documentation of compliance with Louisiana State Medicaid Standards. For example, administrative records may contain contracts and correspondence with the participant and/or responsible party.

5. Documentation reviewed by the inspection team shall provide evidence that:

(a) Interdisciplinary team assessments are complete and have been completed within the previous calendar year, except for social assessments which also shall have been updated at least quarterly;

(b) The plan of care meets the requirements of Section VII;

(c) The plan of care is being implemented and all services ordered on the plan of care are being rendered and properly recorded in interdisciplinary progress notes;

(d) The attending physician has written orders and has certified or recertified the need for either ICF I, II or SNF care within the previous calendar year;

(e) Interdisciplinary progress notes meet the requirements of Section VIII;

(f) Interdisciplinary progress notes describe the condition of the participant as observed by the inspection team;

(g) The participant has made progress toward goals in the plan of care; (Otherwise, the plan of care is not viable.)

(h) At least 75 percent of the participant's scheduled services are among those services specified in Section IX. A. and no more than 25 percent shall be from Section IX. B.;

(i) Each participant has a current, adequate discharge plan, (See Section XV);

(j) The ID Team has discharged its responsibilities as outlined in Section IV B.;

(k) The team shall determine if the center is in compliance with all requirements of *Standards for Payment: Adult Day Health Care Centers.*

6. The social worker and RN shall interview each participant.

The purpose of this interview shall be:

(a) to document that the participant's condition is consistent with the description in the record;

(b) to determine whether the participant is receiving services to support maximum physical, mental and psychosocial functioning;

(c) to gather additional data, if needed, to make a level of care determination;

(d) to provide the participant the opportunity to make recommendations or complaints about the quality of care provided in the center.

7. One of the members of the team shall review incident reports compiled by the center during the previous calendar year.

The purpose of this review is to determine that the requirements of Section XVI have been met.

8. The team shall determine that each Title 19 recipient or applicant continues to meet the criteria specified in Section XI.

9. If the team finds that the participant continues to meet those criteria, Form 51NH shall be issued assigning a review date, not to exceed 12 months from the date of the exit conference, for the current review.

10. If the team finds that a participant no longer meets the criteria specified in Section XI., Form 142 shall be issued no longer approving medical certification. Item II. A. on Form 142 should be checked and completed as follows: "Medicaid payment will continue for above type services through the period of advance notice." Advance notice of closure shall be sent by the parish office when the vendor payment is closed. The center shall implement discharge of the participant during the effective period of the advance notice.

11. When a participant's record lacks sufficient or current data on which to base a determination, the center shall be cited in the Inspection of Care report.

12. The center shall be notified at the exit conference of the material necessary to make a medical ADHC eligibility determination and that if the requested materials are not received within 25 days, the participant shall be decertified. Under no circumstances is an ADHC participant to remain certified for ICF or SNF for more than 30 days when medical eligibilty has not been redetermined. Advance notice of closure shall be sent when the case is closed by the parish office.

13. Prior to the exit conference, the team shall identify the areas in which the center was found deficient. This shall be based on:

(a) a numerical compilation and analysis of the team's findings with regard to individual participants;

(b) inspection of Care and UR reports from the previous calendar year and the evidence of corrective action taken by the center with regard to those reports;

(c) analysis of the center's incident reports and the complaints investigated in the center during the previous calendar year.

14. The team shall be prepared to provide at the exit conference the names of participants from whom immediate corrective action is indicated.

15. An exit conference shall be held to provide a verbal report of the team's findings. This conference shall include at least the information required in Section XIII. G. (j). In addition, the team may also make professional recommendations to the center directed toward enhancing the quality of care provided. Such recommendations shall be clearly differentiated from deficiencies cited. A center shall not be cited for a professional recommendation. However, a violation of professional practice standards constitutes a deficiency.

16. A review report of the team's findings shall be prepared whether or not any deficiencies were found or recommendations made.

17. Review reports shall contain all the information required by established DHHR procedure and shall be submitted to

the center within the time frames specified in that procedure. Copies shall be sent to the parties specified in the procedure.

XV. DISCHARGE PLANNING AND IMPLEMENTATION

A. The purpose of discharge planning is to provide continuity of services for participants who may be temporarily absent from or permanently discharged from the center. Discharge planning also serves to document the need for continued stay at the certified level of care.

B. The center shall maintain:

1. A current register of resources to support a lower level of care. This shall include but not be limited to:

(a) medical resources which address the needs of the community-based elderly/disabled population;

(b) social resources which address the needs of this population;

(c) financial resources which address the needs of this population;

(d) any other supportive resource directed toward the community-based elderly/disabled population.

2. A current register of resources to support continued placement at the current level of care. This shall include but not be limited to medical/social/financial resources to support care at the ADHC level of care.

3. A current register of resources to support a more restrictive level of long term care. This shall include but is not limited to a current listing of:

(a) Title 19 certified nursing homes within the community;

(b) Title 18 extended care facilities within the community;

(c) any program which may further delay institutionalization.

4. A current register of medical/social acute care facilities which would meet the needs of participants who, because of acute medical problems, are temporarily unable to continue or achieve maximum potential in an ADHC center.

5. As part of an adequate discharge planning program, each center shall, to insure continuity of services, prepare a discharge summary whenever a resource in 1, 2, 3 or 4 above is required. This summary shall at least include:

(a) medical diagnosis;

(b) medication regimen (current physician orders);

(c) treatment regimen (current physician orders);

(d) functional needs (inabilities);

(e) any special equipment (dentures, ambulatory aids glasses, etc.);

(f) social needs;

(g) financial resources;

(h) any other information which will enable the receiving agency/center to provide continued necessary care without interruption.

C. The discharge policy of the center shall include the provision that any Title 19 participant who does not attend as scheduled for 14 consecutive calendar days (hospitalization and documented illness excepted), shall be discharged.

D. Voluntary Transfer

When a participant transfers between ADHC Centers, the centers have the following responsibilities:

1. Transferring center:

(a) update plan of care;

(b) complete Form 148 and forward to the OFS regional and parish offices to notify of transfer;

(c) send updated care plan and current physician orders to receiving center.

2. Receiving center:

(a) complete Form 148 and forward to OFS regional and parish ofices to notify that participant has been accepted for placement;

(b) assess and staff participant and develop a new care plan within 14 days of actual attendance.

E. Involuntary Transfer or Discharge

1. Conditions of Transfer or Discharge

Involuntary transfer or discharge of a Medical Assistance participant may occur only under the following conditions:

(a) for medical reasons;

(b) for the participant's welfare or that of other participants; or

(c) for non-payment of the center fee.

2. Center Responsibilities

Center responsibilities in insuring an orderly transfer/discharge shall include the following tasks:

(a) Plan of Care

The center shall complete a final update of the participant's individual plan of care with the transfer/discharge in mind.

(b) Notice of transfer/Discharge

(i) The center shall complete the final update of the participant's individual plan of care and the transfer/discharge plan before submitting a written notice of transfer/discharge to the following individuals:

* the participant;
* the participant's responsible party;
* the OFS regional office;
* the OFS parish office.

(ii) The written notice of transfer/discharge shall contain the following information:

* the proposed date of the transfer/discharge and reason(s) for same;
* a discharge conference, date, time, and place;
* the personnel available to assist in locating an appropriate placement;
* the participant's right for personal and/or third party representation at all stages of the transfer/discharge process;
* the participant's right to register a complaint with the Office of Family Security, Regional Office, Long Term Care Unit, within three days after the transfer/discharge conference.

(iii) The written notice of transfer/discharge shall be submitted as soon as possible but at least three actual days of attendance prior to the transfer/discharge conference.

(c) Transfer/Discharge Conference

(i) The center director, the ID Team or a member of the ID Team shall meet with the participant and responsible party to discuss the transfer/discharge. The discussion shall be conducted within the following time frames to insure an orderly transfer process:

* as soon as possible in advance of the transfer/discharge; but
* at least 10 actual attendance days in advance.

(ii) The participant's presence at the conference may be waived with a written statement from the attending physician detailing the medical contraindications to the participant's participation in such a meeting.

(iii) The participant and the responsible party shall be notified at least 72 hours in advance of the conference and shall be invited to attend and participate.

(iv) Among those items discussed at this conference shall be those enumerated in 2. (a) and (b) above.

F. Mass Transfer of Participants

The following provisions shall apply to any mass transfer.

Mass transfer is defined as the intended relocation of more than 10 participants within a 30 day period.

1. Provider Enrollment Cancellation

When DHHR determines that a center no longer meets State Title 19 requirements, the center's provider enrollment agreement is cancelled.

2. Notice of Provider Enrollment Cancellation

On the date the center is notified that its provider agreement has been cancelled, DHHR shall immediately begin notifying the participants, their responsible parties, and other appropriate agencies or individuals of this action and of the service available to insure an orderly transfer and continuity of care.

3. Center Closing or Withdrawing From Title 19 Program

In situations where a center either voluntarily or involuntarily discontinues its operations or participation in the Medical Assistance Program, participants, their responsible parties and other appropriate agencies or individuals shall be notified as far in advance of the effective date as possible to insure them an orderly transfer and continuity of care.

(a) If the center is closing its operations, plans shall be made for transfer.

(b) If the center is voluntarily or involuntarily withdrawing from Title 19 participation, the participant has the option of remaining in the center on a private pay basis.

4. Payment Limitation

Payments may continue for Title 19 eligible recipients up to 30 days following the effective date the center's provider agreement is cancelled.

(a) The payment limitation also applies to Title 19 participants admitted prior to the cancellation of the agreement.

(b) Payment is permitted only if the center totally cooperates in the orderly transfer of participants to other Title 19 centers or other placement arrangements of their choice.

(c) **Note:** The center shall not admit new Title 19 recipients after receiving the notice that its agreement has been cancelled. There shall be no payment approved for such an admittance.

5. Coordination of Mass Transfer Activities

(a) This process requires concentrated and prompt coordination among the following groups:

(i) the Office of Family Security, regional office, Long Term Care Unit;

(ii) the parish Office of Family Security;

(iii) the center; and

(iv) other offices as designated by DHHR.

(b) This coordinated effort shall have the following objectives:

(i) protection of participants;

(ii) assistance to participants in finding the most appropriate placements when requested by them and/or their responsible parties; and

(iii) timely termination of vendor payment upon the participant's discharge from the center.

(iv) **Note:** The center still retains its usual responsibility during the transfer/discharge process to notify the parish Office of Family Security promptly of all changes in the recipient's status.

6. Transfer Team

DHHR shall designate certain staff members as a transfer team when a mass transfer of participants is necessary. Their responsibilities shall include supervising transfer activities in the event cancellation of a provider agreement is proposed or in the event the center voluntarily terminates Title 19 participation. The following steps and procedures shall be taken by or under the supervision of this team:

(a) Step 1: Identification and Coordination

When a provider agreement is extended for up to 30 days beyond its original expiration date, the transfer team shall immediately perform the following tasks:

(i) Identify appropriate receiving centers or facilities for the affected participants; and

(ii) Coordinate efforts with the OFS regional office. The regional office has the responsibility to evaluate each participant's condition to make a determination about his/her appropriate level of care.

(b) Step 2: Supervision and Assistance

The transfer team shall take the following actions:

(i) supervise the center after cancellation of the agreement and during the transfer of its Title 19 participants;

(ii) determine the last date for which vendor payment for a participant's care can be made;

(iii) assist in making the most appropriate arrangements for the participants, providing the team members' names as contact persons if such help is needed.

(c) Step 3: Effecting the Transfer

In order to insure an orderly transfer/discharge, the transfer team shall also be responsible for performing the following tasks:

(i) they shall meet with appropriate center administrative staff and other personnel as soon as possible after termination of a provider agreement to discuss the transfer planning process;

(ii) they shall continue to meet periodically with the center personnel throughout the transfer planning process;

(iii) they shall identify any potential problems;

(iv) they shall monitor the center's compliance with transfer procedures;

(v) they shall resolve disputes in the participant's best interest;

(vi) they shall encourage the center to take an active role in the transfer planning.

(vii) they shall notify their superiors immediately of any lack of cooperation on the part of the center since this affects whether or not vendor payment will continue.

7. Provisions for Participant Services during Transfer/Discharge

(a) DHHR Responsibilities

DHHR has the following responsibilities:

(i) To provide social services necessary in the transfer/discharge plan or otherwise necessary to insure an orderly transfer/discharge in accordance with the Title 20 State Plan; and

(ii) To obtain other services available under Title 19.

(b) Participant Status Listing

At the conclusion of the 30 day period referred to in 6.(a) and (b) above, the transfer team shall submit a report to the OFS state and parish offices, identifying the placement of each Title 19 participant who has been transferred to another Title 19 provider. If any participant has elected to end ADHC participation, this shall also be reported.

G. Emergency Situations

1. The center is responsible for immediately notifying OFS Regional Office when a bona fide emergency exists, such as fire, contagius disease, or a severe threat to the participant's safety and well-being.

2. Each participant shall be immediately transferred or discharged from a center when a bona fide emergency exists, such as fire, contagious disease, or a severe threat to participant's safety and well-being.

3. Emergency transfers shall be closely reviewed and monitored by OFS.

4. **Note:** Appropriate sanctions shall be imposed on centers which use emergency transfer provisions when no bona fide emergency exists.

5. Participant Rights

Nothing in the transfer/discharge plan shall interfere with existing participant rights.

6. Intelligent Waiver of Participant Rights

(a) A participant may knowingly and intelligently waive any of the provisions of these regulations, provided the waiver is in writing.

(b) The OFS, State Office, shall review all such waivers. The review shall insure that participants freely and intelligently waived their rights only after they and their responsible parties were fully informed of their rights under these transfer/discharge procedures.

(c) **Note:** Appropriate sanctions shall be imposed on centers which obtain waivers by coercion or without providing full information about participant rights.

XVI. INCIDENT REPORTS

A. Incident reports shall be completed for each participant who is:

1. involved in an accident or is injured at the center. This shall include a participant's involvement in any occurrence which has the potential for affecting the welfare of any participant.

2. on elopement status or whose whereabouts is unknown for any length of time.

B. Incident reports shall be compiled into a central record. The fact that the participant was involved in an accident or incident and that an incident report was completed shall be entered into the progress notes of the participant's record by the individual completing the incident report.

C. Incident reports shall include, as a minimum, the following information:

1. the name of the participant;
2. the date and time of the incident;
3. the names of witnesses to the incident;
4. a detailed description of the incident;
5. a description of the action taken by the center with regard to the incident.

D. The LPN, with RN or MD consultation, and the center director shall document review of each incident report within 24 hours.

E. At the end of each quarter, the center's Interdisciplinary Team shall review and analyze the incident reports to:

1. insure that they contain the information specified above;
2. identify staff training needs;
3. identify patterns which may indicate a need for changes in the center's policies or procedures;
4. assist in the identification of those participants who may require changes in their plans of care or who may not be appropriately placed in the ADHC center.

XVII. COMPLAINT PROCEDURE

The DHHR complaint procedure shall be posted conspicuously in public areas of the center.

Participants shall be encouraged by the center staff to make recommendations and to register complaints with the officials of the center.

XVIII. VENDOR PAYMENT

A. Vendor payment shall only be made by DHHR in accordance with the terms of each provider agreement (See Section III).

B. Vendor payment shall not be made retroactively prior to the date each participant is staffed and a current, adequate care plan developed.

C. Vendor payment for service days for a participant shall be limited to 23 days per month.

D. Vendor payment for services provided is dependent upon the quality of services provided and each center's compliance with the *Standards for Payment: Adult Day Health Care Centers* (See Section XXII, Compliance).

E. Vendor payment shall be limited to those days the participant receives services on-site for five or more hours as documented by center attendance records. Exceptions to attendance for the full day or major fraction thereof shall be for medical appointments, onset of illness after arrival at the adult day health care center, and unexpected emergencies such as a death in the family or acts of God.

F. DHHR may withold vendor payments in whole or in part in the following situations:

1. Change in Center Status

A minimum of 10 percent of the final vendor payment due a center may be withheld pending completion of an audit. The following are situations which shall warrant 10 percent withholding:

1. a change of ownership;
2. a center voluntarily ceases to participate in Title 19;
3. a center is decertified for Title 19;
4. a center's license is revoked or not renewed;
5. a center's provider enrollment agreement is cancelled.

2. Incorrect or Inappropriate Charges to Participants

When DHHR determines that a center has violated a provider agreement by incorrectly or inappropriately charging a participant or responsible party, a sum not to exceed the inappropriate charges shall be withheld until the provider:

a. makes restitution to the participant or responsible party;

b. submits evidence of restitution to OFS and the fiscal intermediary.

3. Delinquent Cost Report

(a) When a center fails to submit a properly completed cost report within 90 days of its accounting period or fiscal year end, a penalty of five percent of each total monthly payment shall be withheld until the properly completed cost report is submitted.

(b) DHHR may grant one extension not to exceed 30 days, of the 90 day limit if evidence of just cause has been provided and established in writing.

(c) The five percent penalty may be increased by five percent each month if the provider does not demonstrate good faith in producing a properly completed cost report.

G. Deferral or Disallowance of FFP

Should HCFA defer or disallow FFP to the state for one or more adult day health care center's deficiencies, lack of compliance with waiver provisions, fraud or other reasons identified by HCFA, the state shall defer or disallow the sums involved by withholding and/or recoupment from the adult day health care centers involved. Should HCFA restore in whole or in part to DHHR, OFS the amounts deferred or disallowed, DHHR, OFS shall restore the appropriate amount to the provider.

H. Termination of the Waiver

Should HCFA terminate the waiver under which the Adult Day Health Care Program is operated, DHHR shall notify each participating provider and, after receipt of such notice, no further reimbursement will be made. If the state chooses to totally fund adult day health care services, reimbursement for services may be made as provided by the state.

XIX. PARTICIPANT RECORDS

A. General Requirements

(1) Written Policies and Procedures

All centers shall have written policies and procedures governing access to, duplication of, and dissemination of information from the participant's personal and medical records.

(2) Availability of Participant Records

The center shall make all necessary participant records available to appropriate state and federal personnel at all reasonable times. Participant records shall include, but shall not be limited to, the following information:

(a) all medical records;

(b) records of all treatments, drugs, and services for which vendor payments have been made, or which are to be made, under the Medical Assistance Program. This includes the authority for and the date of administration of such treatment, drugs or services;

(c) sufficient documentation to enable DHHR to verify that each charge is due and proper prior to payment;

(d) the following physician information:

(i) certification for each participant admission; and

(ii) recertification that the participant requires ICF or SNF services.

(e) All records which DHHR finds necessary to determine a center's compliance with any federal or state law, rule, or regulation promulgated by DHHS or by DHHR.

B. Records

(1) General Requirements

(a) Protection of Records—The center shall protect records against loss, damage, destruction, and unauthorized use.

(b) Confidentiality of Information—The center shall safeguard the confidentiality of participant information. The center shall release confidential information only under the following conditions:

(i) by court order; or

(ii) by the participant's written authorization, unless contraindicated as documented in the participant's record by the attending physician.

(c) Retention of Records—The center shall retain records for whichever of the following time frames is longer:

(i) until records are audited and all audit questions are answered;

(ii) three years from the end of the waiver period.

(2) Components of Participant Records—The participant's medical record shall consist of the active participant record and the center's storage files or folders.

(a) Active Participant Records

The active medical charts shall contain the following information:

(i) at least six months of current pertinent information relating to the participant's active ongoing care; and

(ii) the necessary admission records.

(iii) if the center is aware that a participant has been interdicted, a statement to this effect shall be noted on the inside front cover of the participant's active participant record.

NOTE: As this active record becomes bulky, the outdated information shall be removed and filed in the center's storage files or folders.

(3) Availability of Participant Records to Center Staff—The center shall insure that participant records are available to staff directly involved with the participant's care.

(4) Contents of Participant Medical Records—An organized active record system shall be maintained for each participant. All entries made by center staff in participant records shall be legibly signed and fully dated. Each record shall include the following information:

(a) Identifying Information

* Full name of the participant;
* Home address, including street address, city, parish, and state;
* Social Security number;
* Medicaid number;
* Medicare claim number, if applicable;
* marital status;
* date of birth;
* sex;
* religious preference;
* ethnic group;
* usual occupation (the kind of work the participant engaged in most of working life, even if retired);
* legal status;
* birthplace;
* father's name;
* mother's maiden name;
* dates of service in the United States armed forces, if applicable;
* personal physician and alternate;
* participant's choices of other service providers;
* name and address of next of kin or other responsible party;
* admitting diagnoses;
* any other useful identifying information.

(b) Medical Information

The center shall insure that the participant record contains the following information:

(i) the physician's signed and dated orders, including medication, treatment, diet, and restorative and special medical procedures required for the safety and well-being of the participant. Physician orders shall remain current for a period of one year;

(ii) a comprehensive, interdisciplinary plan of care as required in Section VII;

(iii) progress notes as required in Section VIII;

(iv) discharge plan and discharge (referral) summaries as required in Section XV;

(v) current Interdisciplinary Assessments as required in Section V.

(5) Any errors made by the staff in a participant's record shall be corrected using the legal method which is to draw a line through the erroneous information, write "error" by it and initial the correction.

C. Attendance Records

The center shall maintain for no less than three years after the end of the waiver period records of the dates of each participant's attendance and the number of hours attended each day. Such records shall be kept in a central location.

All other records shall be maintained in accordance with the terms of the provider agreement (See Section III).

XX. APPEALS PROCEDURE

A. Scope

DHHR reserves the right to impose sanctions against any center, to reject any center's request for Title 19 participation, or to terminate any center's participation status under the conditions specified in Section XXII. B.

B. Informal Reconsideration

When a center receives a written adverse action along with a copy of the findings upon which the decision was based, the center may notify the assistant secretary, OFS, within 15 days of receiving the notification and request an informal reconsideration.

(1) The center may provide the assistant secretary with a letter and supporting documents, if applicable, to refute DHHR's findings which result in the adverse action, or may present such documentation at a meeting with the assistant secretary or his/her designee.

(2) DHHR shall review all documents submitted by the center and advise the center in writing prior to the effective date of the following actions:

(a) that the original decision has been upheld; or

(b) that the original decision has been reversed.

Note: The informal reconsideration decision is binding and the adverse action is not delayed by the center's request for an evidentiary hearing.

(3) If the center receives written notification that the adverse action is being upheld, then the center may request an evidentiary hearing.

C. Evidentiary Hearing

(1) General Requirements—Any center which receives an adverse action from DHHR may request an evidentiary hearing. Such a request shall be made to the secretary, DHHR, within 30 days of receiving notification from DHHR affirming the original adverse action based on the informal reconsideration.

(a) The evidentiary hearing shall be conducted by DHHR's Appeals Section which shall notify all interested parties of the time and place of the hearing.

(b) Any party may appear and be heard at the proceeding through representation by an attorney-at-law or through a designated representative under the following conditions:

(i) All persons appearing in proceedings before the Appeals Section shall conform to the standards of conduct practiced by attorneys before the courts of the state.

(ii) If a person does not conform to those standards, the hearing officer may decline to permit the person to appear in the proceeding.

(c) Persons appearing in a representative capacity on behalf of the center shall file a written notice of appearance giving the following information:

(i) their names;

(ii) their addresses;

(iii) their telephone numbers;

(iv) the party they represent; and

(v) a written authorization to appear on behalf of the center.

(d) The Appeals Section shall notify the center in writing of the names and telephone numbers of DHHR's representatives.

(e) All papers filed in any proceeding shall meet the following criteria:

(i) they shall be typewritten;

(ii) they shall be signed by the party, authorized representative, or attorney;

(iii) they shall contain the address and telephone number of the party, authorized representative, or attorney; and

(iv) at least an original and two copies of all papers shall be submitted to the Appeals Section.

(2) Preliminary Conference—Upon receiving a request for an evidentiary hearing, the Appeals Section must schedule a preliminary conference within 30 calendar days of receiving such a request or prior to the proposed termination date.

(a) Purposes of Preliminary Conferences

The purposes of the preliminary conferences shall include, but are not limited to, the following:

(i) clarification, formulation, and simplification of issues;

(ii) resolution of matters in controversy;

(iii) exchange of documents and information;

(iv) review of audit findings;

(v) reconsideration of any suspension or withholding of payments;

(vi) stipulations of fact so as to avoid unnecessary introduction of evidence at the formal hearing;

(vii) the identification of witnesses; and

(viii) such other matters as may aid disposition of the issues.

(b) Preliminary Conference Notification

When the Appeals Section schedules a preliminary conference, it shall notify the center in writing. The notice shall direct any parties and their attorneys to appear at a specific date, time, and place.

(c) Conference Results

(i) When the preliminary conference resolves all or some matters in controversy, the Appeals Section shall submit a written summary of the following:

(x) the findings agreed to at the conference;

(xx) the results of the conference; and

(xxx) a statement of further action required by the center or DHHR.

(ii) When the preliminary conference does not resolve all matters in controversy, an evidentiary hearing shall be scheduled on those matters still in controversy. The hearing shall be scheduled within 30 calendar days following the completion of the preliminary conference.

(3) Evidentiary Hearing—When an evidentiary hearing is scheduled, the Appeals Section shall notify the center and/or attorney in writing of the date, time, and place of the hearing. The notice shall be mailed not less than 10 calendar days before the scheduled hearing date. The Appeals Section shall also include a summary of the results of the preliminary conference.

The Appeals Section shall adhere to the following in regard to the evidentiary hearing:

(a) The hearing shall be conducted by a hearing officer authorized to conduct such hearings.

(b) Testimony shall be taken only on oath, affirmation, or penalty of perjury.

(c) Each party shall have the right to do the following:

(i) call and examine parties and witnesses;

(ii) introduce exhibits;

(iii) question opposing witnesses and parties on any matter relevant to the issue even though the matter was not covered in the direct examination;

(iv) impeach any witnesses regardless of which party first called them to testify; and

(v) rebut the evidence against witnesses.

(d) Any relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely on in the conduct of serious affairs. This evidence shall be admitted regardless of the existence of any common law or statutory rule which might make the admission of such evidence improper over objection in civil or criminal actions.

(e) The hearing officer may question any party or witness and may admit any relevant and material evidence.

(f) The hearing officer shall control the admission of evidence in a manner best suited to ascertain the facts and safeguard the rights of the parties. Prior to taking evidence, the hearing officer shall explain the issues and the order in which evidence shall be received.

(g) The burden of producing documentary evidence is on the party against whom the adverse action is being taken.

(h) Parties shall arrange for the presence of their witnesses at the hearing.

(i) A subpoena to compel the attendance of a witness may be issued by the hearing officer upon written request by a party showing the need for the witness' presence.

(ii) A subpoena may be issued by the hearing officer on his/her own motion.

(iii) An application for subpoena duces tecum for a witness to produce documents, papers, books, accounts, letters, photographs, objects, memoranda, other correspondence, records, or tangible items not priviledged shall be made by affidavit to the

hearing officer, giving the name and address of the person or entity upon whom the subpoena is to be served.

(x) It shall describe the items which are desired to be produced and show the materiality of the evidence to the issue involved in the proceeding.

(xx) It shall also include a statement, that to the best of a person's knowledge, the witness has such items in his/her possession or under his/her control.

(4) Amendments to Evidence

(a) At any time prior to the completion of the hearing, amendments may be allowed on just and reasonable terms for the following reasons:

(i) to add any party who should have been a part of the hearing process;

(ii) to dismiss any party's evidence from the proceedings;

(iii) to change the allegations or defenses; or

(iv) to add new causes of action or defenses.

(b) Where the agency seeks to add a party or give a cause of action or change in allegation, notice shall be given to the appropriate parties. Where a party other than DHHR seeks to add a party or change defenses, notice shall be given in accordance with C. (3) (h) above. The hearing officer shall continue the hearing for such time as deemed appropriate, and notice of the new date shall be given in accordance with C. (3) above.

(i) The hearing officer may continue a hearing to another time or place or order a further hearing under the following conditions:

(x) on his/her own motion; or

(xx) at the request of any party upon showing good cause.

(ii) When the hearing officer determines that additional evidence is necessary for the proper determination of the case, he/she may at his/her discretion do the following:

(x) continue the hearing to a later date and order the party to produce additional evidence; or

(xx) close the hearing and hold the record open in order to permit the introduction of additional documentary evidence. Any evidence so submitted shall be made available to both parties and each party shall have the opportunity for rebuttal.

(iii) Written notice of the time and place of a continued or further hearing shall be given.

EXCEPTION: When a continuance or further hearing is ordered during a hearing, oral notice of time and place of the hearing may be given to each party present.

(5) Record of Proceedings—A complete record of the proceedings shall be made.

(i) The testimony shall be transcribed and copies of other documentary evidence shall be reproduced when directed by the hearing officer.

(ii) The record shall also be transcribed and reproduced at the request of a party, provided the party pays for the cost of reproducing the transcript.

(6) Failure to Appear—If a center representative fails to appear at a hearing, a decision may be issued by the Appeals Section dismissing the hearing.

(a) A copy of the decision shall be mailed to each party together with a statement of the center's right to reopen the hearing.

(b) Any dismissal may be rescinded if the center makes a written application to the hearing officer within 10 calendar days after the mailing of the decision, showing good cause for failure to appear at the hearing.

(7) Timely Processing—The hearing shall be completed and a written decision rendered by the secretary, DHHR, setting forth the reasons for the decision and the evidence upon which the decision is based within 30 calendar days of the conclusion of the hearing.

The decision of the secretary shall be final subject only to judicial review by the courts. Copies of the decision shall be mailed to the center at its last known address and to any representatives.

XXI. AUDITS

A. All providers who elect to participate in the Title 19 Program shall be subject to audit. A sufficient representative sample of providers will be fully audited to insure the fiscal integrity of the program and compliance of providers with program regulations governing reimbursement. Limited scope and exception audits shall be conducted as required.

B. In addition to routine audits related to fiscal accountability, audits may also be conducted at the time of change of ownership, voluntary or involuntary closure of a center, or investigation of complaints against a center.

C. Each center shall submit a cost report to Office of Family Security within 90 days of the end of its accounting period or fiscal year end.

Instructions for cost reporting and the form to be used are located in Appendix III of this document.

XXII. COMPLIANCE WITH STANDARDS FOR PAYMENT

A. A center may be found to be out of compliance with *Standards for Payment: Adult Day Health Care Centers* as a result of the following activities:

1. field or desk audits;
2. Utilization Reviews;
3. Inspection of Care;
4. complaint investigations;
5. licensing surveys;
6. federal reviews or assessments;
7. Attorney-General's Medicaid Fraud Control Unit investigations;
8. Surveillence and Utilization Reviews (SURS).

B. DHHR reserves the right to impose interim sanctions, to reject any center's request for Title 19 participation, or to terminate any center's participation when there is documentation that the center:

1. fails to abide by the rules and regulations promulgated for the ADHC Program by the Division of Licensing and Certification, OFS, or any other state or federal agency;
2. is not in compliance with Title 6 of the Civil Rights Act;
3. engages in practices not in the best interests of any medical assistance recipient;
4. Fails to achieve and maintain substantial compliance with *Standards for Payment: Adult Day Health Care Centers.* It shall be the decision of the secretary of DHHR to refuse or terminate enrollment for this reason;
5. Has previously been sanctioned.

C. Interim Sanctions

1. DHHR may impose sanctions if a center is found to be not in compliance with *Standards for Payment: Adult Day Health Care Centers* or licensing regulations for adult day health care centers.

2. These sanctions are directly related to:

(a) the severity of the conditions found in the center which adversely affect or potentially affect the safety, rights, health and well-being of the participants;

(b) the degree of fiscal integrity with which the center is administered;

(c) Compliance with *Standards for Payment: Adult Day Health Care Centers.*

3. Sanctions for Health, Safety and Personal Rights Violations:

(a) restricted Title 19 certification for new admissions;

(b) fiscal sanctions;

(c) withholding of vendor payment;

(d) provisional licensure:

The center's license may be placed in provisional status for a period not to exceed 90 days. If there is not documentation of immediate improvement in the conditions which affect the life, safety or welfare of the participants, the license shall be revoked.

4. Sanctions for Administrative Violations:

(a) fiscal sanctions;

(b) withholding of vendor payment;

(c) provisional licensure:

The center's license may be placed in provisional status for a period not to exceed 90 days. If there is not documentation of immediate improvement in the conditions which affect the life, safety or welfare of the participants, the license shall be revoked.

D. Appeals Procedure

See Section XX which describes the appeal's procedure a center may use when adverse action has been taken against it by DHHR.

Implementation is subject to approval by the Health Care Financing Administration (HCFA) as required for all Title XIX policy changes. If disapproved by HCFA, the policy prior to this proposed amendment remains in effect.

Emergency rulemaking has been invoked to implement this policy effective March 8, 1985. The Emergency Rule was necessary to restore Title XIX Federal Financial Participation (FFP) for the program. The program was previously funded through a waiver of Title XIX funds. This waiver expired January 7, 1985, and further FFP was denied until certain corrective action measures were in effect, one of which was the publication of intent to implement the Standards of Payment which would insure the safety and welfare of the program participants.

Interested persons may submit written comments to the following address: Marjorie T. Stewart, Assistant Secretary, Office of Family Security, Box 44065, Baton Rouge, LA 70804. She is the person responsible for responding to inquiries regarding this proposed rule. A copy of the proposed rule and its fiscal and economic impact statement is available for review in each local Office of Family Security.

A public hearing on the proposed rule will be held on May 2, 1985, in the Louisiana State Library Auditorium, 760 Riverside, Baton Rouge, LA beginning at 9:30 a.m. All interested persons will be afforded an opportunity to submit data, views, or arguments, orally or in writing, at said hearing.

Dr. Sandra L. Robinson, M.P.H.
Secretary and State Health Officer

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Adult Day Health Care Program

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

The proposed rule will result in the following Medicaid program savings in 1984-85 and costs in subsequent years:

FY 85 (6 months)		FY 86		FY 87	
($233,740)	State	$264,268	State	$265,441	State
230,916	Federal	469,198	Federal	468,025	Federal
($ 2,824)	Net Change	$733,466	Net Change	$733,466	Net Change

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

Restoration of federal financial participation in 1984-85 would result in a net savings of $2,824. Federal revenues would be $469,198 in 1985-86 and $468,025 in 1986-87.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

The Adult Day Health Care Program provides an effective alternative to institutionalization of elderly and disabled persons by providing health and social support services in a structured setting. Individuals are thus maintained in their own homes and community settings.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

We do not anticipate any effect on competition and employment at this time.

Marjorie T. Stewart
Assistant Secretary

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Department of Health and Human Resources
Office of Family Security

The Department of Health and Human Resources, Office of Family Security, proposes to implement the following rule in the Medical Assistance Program.

Proposed Rule

Effective June 20, 1985, the Office of Family Security will discontinue Title XIX funding for habilitation services. Emergency rulemaking has been invoked to implement this policy effective February 20, 1985. The Emergency Rule was published in the March 20, 1985, *Louisiana Register* (Volume 11, Number 3). This action was necessary because of the Health Care Financing Administration's (HCFA) decision not to renew the state's waiver document. This waiver document was provided for under Section 1915 (c) of the Social Security Act.

Interested persons may submit written comments to the following address: Marjorie T. Stewart, Assistant Secretary, Box 44065, Baton Rouge, LA 70804. She is the person responsible for responding to inquiries regarding this proposed rule. A copy of the proposed rule and its fiscal and economic impact statement is available for review in each local Office of Family Security.

A public hearing on the proposed rule will be held on May 2, 1985, in the Louisiana State Library Auditorium, 760 Riverside, Baton Rouge, LA beginning at 9:30 a.m. All interested persons will be afforded an opportunity to submit data, views or arguments, orally or in writing, at said hearing.

Sandra L. Robinson, M.D., M.P.H.
Secretary and State Health Officer

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Discontinue Habilitation Program

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

The proposed rule will result in the following savings to the Medicaid program:

	FY 84-85 (1/06/85-6/30/85)	FY 85-86	FY 86-87
State	($1,583,113)	($3,208,976)	$3,223,226)
Federal	(2,870,087)	(5,697,424)	(5,683,174)
TOTAL	($4,453,200)	($8,906,400)	($8,906,400)

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

Federal revenues will be reduced by $2,870,087 in FY

84-85; $5,697,424 in FY 85-86; and $5,683,174 in FY 86-87.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

Approximately 1,600 recipients will no longer be eligible for vendor payments from the Office of Family Security for habilitation services. Approximately 400 of these recipients (non-SSI) will no longer be eligible for any Medicaid benefits.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

We do not anticipate any effect on competition and employment

Marjorie T. Stewart
Assistant Secretary

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Department of Health and Human Resources
Office of Family Security

The Department of Health and Human Resources, Office of Family Security, proposes to freeze in-patient hospital rates, established by the Medical Assistance Program, for cost per discharge limitations, effective July 1, 1985, for a one year period.

Summary

Current agency policy provides that at each hospital's fiscal year end, actual allowable in-patient operating costs are compared to the target rates established by the agency. Thereafter, the target rates for cost per discharge limitations are revised, for each new fiscal year, based on the Health Care Financing Administration's market basket index of hospital in-patient operating costs plus one-quarter of one percent.

This proposed rule will freeze cost per discharge target rates for one year cost reporting period by not applying the target rate percentages for inflating the rates for hospital fiscal years beginning on or after July 1, 1985. However, authorized pass-through costs including capital related, educational, and malpractice, costs will not be affected by this proposed rule.

This proposed rule is a cost containment measure to reduce program expenditures to targeted appropriation levels. This proposal is allowable under 42 CFR 447.252 which authorizes the state agency to establish Medicaid reimbursement rates for in-patient hospital services.

Comments

Interested persons may submit written comments through May 2, 1985, to the following address: Marjorie T. Stewart, Assistant Secretary, Box 44065, Baton Rouge, LA 70804. She is the person responsible for responding to inquiries regarding this proposed rule. A copy of the proposed rule and its fiscal and economic impact statement is available for review in each local Office of Family Security.

Notice of Public Hearing

A public hearing on this proposed rule will be held on May 2, 1985, in the Louisiana State Library Auditorium, 760 Riverside, Baton Rouge, LA, beginning at 9:30 a.m. All interested persons will be afforded an opportunity to submit data, views or arguments, orally or in writing, at said hearing.

Proposed Rule

Effective for hospital fiscal years beginning on or after July 1, 1985, target rates for cost per discharge limitations for hospital in-patient services shall be frozen for one year cost reporting period. The target rate percentages for inflating rates for subsequent fiscal years shall not be applied. Authorized pass-through costs shall remain allowable under current program policy.

Regulatory Exception

Upon final state approval of this proposed rule, implementation shall be dependent on the approval of the Health Care Financing Administration (HCFA). Disapproval of this proposal by HCFA will automatically cancel the provisions of this rule and current policy will remain in effect.

Sandra L. Robinson, M.D., M.P.H.
Secretary and State Health Officer

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Hospital Program One Year Rate Freeze

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

Implementation of this proposed rule will result in a savings to the Medicaid program of $10,538,795 ($3,797,128 state and $6,741,667 federal) in 1985-86. The proposed rule will also save $3,635,769 ($1,315,785 state and $2,319,984 federal) in 1986-87 in payments to facilities whose cost reporting periods end during that fiscal year. This rule is valid for one year only. Continuation of the target rate freeze in 1986-87 would require republication.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

Implementation of this proposed rule will result in a reduction of $6,741,667 in federal funds in FY 1985-86, and $2,319,984 in FY 1986-87.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

The revenue impact of this proposed rule cannot be predicted for individual hospitals.

This proposal will reduce program reimbursement to hospitals statewide by $10,538,795 in FY 1985-86 and $3,635,769 in FY 1986-87.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

There is no known effect on competition and employment.

Marjorie T. Stewart
Assistant Secretary

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Department of Health and Human Resources
Office of Family Security

The Department of Health and Human Resources, Office of Family Security, proposes to adopt the following rule in the Title XIX Medical Assistance Program.

Proposed Rule

Effective for services beginning October 29, 1984, the Title XIX State Plan and Chapter XIX Medical Assistance Manual are amended to show that optometrists who perform eye care services that are within the scope of optometric practice will receive Medicaid reimbursement to the same extent, and according to the same standards, as physicians who perform these same eye care services.

An Emergency Rule effecting this change was originally adopted effective for services beginning October 29, 1984, and was published in the *Louisiana Register* on November 20, 1984, (Volume 10, Number 11, page 864). The first Emergency Rule was necessary to comply with the judgment of the U. S. Court of Ap-

peals, 5th Circuit, in the case of Sandefur vs. Cherry, Docket No. 82-3564, which was rendered on October 29, 1984.

A second Emergency Rule was necessary to comply with further orders of the court issued February 1, 1985, in the case of Sandefur vs. Cherry, Docket No. 82-3564 and was published in the *Louisiana Register* on March 20, 1985, (Volume 11, Number 3, page 210).

Implementation is subject to approval by the Health Care Financing Administration (HCFA) as required for all Title XIX policy changes. If disapproved by HCFA, the policy prior to this proposed amendment remains in effect.

Interested persons may submit written comments to the following address: Marjorie T. Stewart, Assistant Secretary, Office of Family Security, Box 44065, Baton Rouge, LA 70804. She is the person responsible for responding to inquiries regarding this proposed rule. A copy of the proposed rule and its fiscal and economic impact statement is available for review in each local Office of Family Security.

A public hearing on the proposed rule will be held on May 2, 1985, in the Louisiana State Library Auditorium, 760 Riverside, Baton Rouge, LA beginning at 9:30 a.m. All interested persons will be afforded an opportunity to submit data, views or arguments, orally or in writing, at said hearing.

Sandra L. Robinson, M.D., M.P.H.
Secretary and State Health Officer

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: MAP-Optometrists' Services

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

The cost to reimburse optometrists for services provided for in this proposed rule is as follows:

	FY 84-85	FY 85-86	FY 86-87
State	$ 387,008	$1,223,685	$1,278,284
Federal	701,601	2,172,611	2,253,864
	$1,088,609	$3,396,296	$3,532,148

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

There will be an increase in federal revenue of $701,601 in FY 84-85, $2,172,611 in FY 85-86, $2,253,864 in FY 86-87.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

The optometrists in the state will receive reimbursement for eye care services performed to recipients that were previously reimbursable only to physician providers. Recipients who receive these covered services from optometrist providers will have those services reimbursed by the program.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

Ophthalmalogist providers in the state may experience a decrease in program reimbursement as recipients may seek eye care from optometrists instead of ophthalmalogists.

Marjorie T. Stewart
Assistant Secretary

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Department of Health and Human Resources
Office of Family Security

The Department of Health and Human Resources, Office of Family Security, proposes to reduce pharmacy dispensing fees from $3.67 per prescription to $3.30 per prescription effective July 1, 1985.

Summary

Current dispensing fees of pharmacy providers who participate in the Pharmacy Program under Medicaid are now ranked at the 8th highest in the nation. Under this proposed rule Louisiana's pharmacy provider dispensing fee will be ranked 20th in the nation. This reduction in the pharmacy dispensing fee is allowed under 42 CFR 447.33 which gives the statewide latitude in establishing such fees.

This proposed rule is a cost containment measure to reduce state expenditures and provide maximum services for recipients within targeted appropriation levels.

Comments

Interested persons may submit written comments through May 3, 1985, to the following address: Marjorie T. Stewart, Assistant Secretary, Box 44065, Baton Rouge, LA 70804. She is the person responsible for responding to inquiries regarding this proposed rule. A copy of the proposed rule and its fiscal and economic impact statement is available for review in each local Office of Family Security.

Notice of Public Hearing

A public hearing on this proposed rule will be held on May 3, 1985, in the Louisiana State Library Auditorium, 760 Riverside, Baton Rouge, LA beginning at 9:30 a.m. All interested persons will be afforded an opportunity to submit data, views, or arguments, orally or in writing, at said hearing.

Proposed Rule

Dispensing Fees For Pharmacy Program Providers

The dispensing fees for pharmacies participating in Medicaid shall be $3.30 per prescription. The dispensing fee shall be utilized by the agency in its determination of the lessor of estimated acquisition cost plus a dispensing fee or the pharmacy's usual and customary charge.

Regulatory Exception

Upon final state approval of this proposal, implementation shall be dependent on the approval of the Health Care Financing Administration (HCFA). Disapproval of this proposal by HCFA will automatically cancel the provisions of this rule and current policy will remain in effect.

Sandra L. Robinson, M.D., M.P.H.
Secretary and State Health Officer

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Pharmacy Program Dispensing Fee

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

This rule is being proposed pursuant to a recommendation in the 1985-86 Executive Budget published by the Governor's Budget Office.

The Executive Budget for 1985-86 allocates a total of $50,403,128 for Medicaid prescription drugs, a reduction of $28,461,187 from the amount requested by the agency. According to the Executive Budget, this reduced level of spending is to be achieved in part by decreasing pharmacy dispensing fees from $3.67 to $3.30.

Implementation of this rule alone would result in the following savings to the Medicaid Program:

	FY 85-86	FY 86-87	FY 87-88
State	($ 740,386)	($ 773,421)	($ 804,357)
Federal	($1,314,529)	($1,363,691)	($1,418,239)
Total	($2,054,915)	($2,137,112)	($2,222,596)

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

Implementation of this proposed rule will result in a reduction of $1,314,529 in federal funds in FY 85-86; $1,363,691 in FY 86-87; and $1,418,239 in FY 87-88.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

Pharmacists who participate in Medicaid reimbursement for prescription drugs will receive $2,054,915 less in dispensing fees in FY 85/86; $2,137,112 in FY 86/87; and $2,222,596 in FY 87/88.

Recipients may experience difficulty in finding pharmacies who are willing to fill prescriptions under Medicaid reimbursement provisions

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

Some Pharmacy providers currently enrolled in the Pharmacy Program may discontinue participation which may effect provider effect competition.

Marjorie T. Stewart
Assistant Secretary

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Department of Health and Human Resources
Office of Family Security

The Department of Health and Human Resources, Office of Family Security, proposes to implement Estimated Acquisition Cost provisions based on: *American Druggist Blue Book* manufacturer's direct pricing for eight specified manufacturers; and *American Druggist Blue Book* average wholesale price (AWP) less 10.5 percent for all other drugs reimbursed by the Pharmacy Program effective July 1, 1985.

Summary

Current Pharmacy Program policy utilizes a three tier approach to limit acquisition costs on drugs provided by participating pharmacies. The program compares federal maximum allowable costs, Louisiana maximum allowable costs, and estimated acquisition costs and combines the lessor of the three with a set dispensing fee. The resulting total is then compared with the pharmacy's billing of usual and customary charge with the lessor amount reimbursed to the pharmacy provider. Under this proposed rule estimated acquisition costs will be reduced approximately 10.5 percent as the agency currently makes estimates strictly based on Blue Book AWP's.

This proposed rule will lower costs of those drugs which are not included in the federal or Louisiana MAC provisions to effect cost savings to the state. The majority of drugs covered under the federal and Louisiana MAC provision will continue to have lower cost limits than the estimated acquisition cost provisions proposed for adoption.

This measure is allowable under 42 CFR 447.332 which requires states to estimate acquisition costs. This change in estimated acquisition cost was recommended by the Regional Health Care Financing Administration, under the secretary of the United States Department of Health and Human Services following the issuance of an inspector general's report which indicates pricing discrepancies in published AWP's. This measure has been strongly recommended by the Louisiana Legislative Fiscal Office as an effective cost containment measure to reduce state expenditures while maximizing benefits to recipients.

Comments

Interested persons may submit written comments through May 3, 1985, to the following address: Marjorie T. Stewart, Assistant Secretary, Box 44065, Baton Rouge, LA 70804. She is the person responsible for responding to inquiries regarding this proposed rule. A copy of the proposed rule and its fiscal and economic impact statement is available for review in each local Office of Family Security.

Notice of Public Hearing

A public hearing on this proposed rule will be held on May 3, 1985, in the Louisiana State Library Auditorium, 760 Riverside, Baton Rouge, LA beginning at 9:30 a.m. All interested persons will be afforded an opportunity to submit data, views or arguments, orally or in writing, at said hearing.

Proposed Rule

Estimated Acquisition Cost Provisions

The estimated acquisition cost methodology used in the Pharmacy Program to determine allowable costs is as follows:

1. The wholesale cost of a specific strength/unit of a drug by a single manufacturer, labeler, etc. is the average wholesale cost of that drug as listed in the most current edition of *American Druggist Blue Book,* or its revisions, hereinafter referred to as the Blue Book.

2. Estimated acquisition cost (EAC) is the agency's best estimate of what providers are generally paying for a drug. The basis for determining the EAC will be the current *American Druggist Blue Book* and its revisions.

3. The estimated acquisition cost (EAC) of drugs shall be derived from:

a. *American Druggist Blue Book* manufacturers direct pricing information for the drugs listed by manufacturer and manufacturer code in (c) below; and

b. *American Druggist Blue Book* average wholesale prices less 10.5 percent for all drugs not included in (c) below.

c. Manufacturer	Manufacturer Code
Abbott-Ross	0074
Lederle	0005
Merck, Sharp, and Dohme	0006
Parke-Davis	0071, 0710
Pfizer-Roerig	0049, 0063
(incl. Roerig and Pfipharmecs)	0663, 0995
Squibb	0003
Upjohn	0009
Wyeth	0008

Regulatory Exception

Upon final state approval of this proposal, implementation shall be dependent on the approval of the Health Care Financing Administration (HCFA). Disapproval of this proposal by HCFA will automatically cancel the provisions of this rule and current policy will remain in effect.

Sandra L. Robinson, M.D., M.P.H.
Secretary and State Health Officer

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Pharmacy Program EAC-AWP less 10.5 percent

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

This rule is being proposed pursuant to a recommendation in the 1985-86 Executive Budget published by the Governor's Budget Office. A similar recommendation was made by the federal Health Care Financing Administration after that agency conducted a review of drug costs in Louisiana's Medicaid program.

The Executive Budget for 1985-86 allocates a total of $50,403,128 for Medicaid prescription drugs, a reduction of $28,461,187 from the amount requested by the agency. According to the Executive Budget, this reduced level of spending is to be achieved in part by lowering payments for drugs 10.5 percent below average wholesale prices.

Implementation of this rule alone would result in the following savings to the Medicaid program:

	FY 1985-86	FY 1986-87	FY 1987-88
State	($540,281)	($564,388)	($586,963)
Federal	($959,251)	($995,125)	($1,034,931)
Total	($1,499,531)	($1,559,513)	($1,621,894)

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

Implementation of this proposed rule will result in a reduction of $959,251 in FY 85-86; $995,125 in FY 86-87; and $1,034,931 in FY 87-88.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

The revenue impact of this proposed rule cannot be predicted for individual providers.

This proposed rule will reduce program reimbursement to providers state-wide by $1,499,532 in FY 85/86; and $1,559,513 in FY 86/87; and $1,621,894 in FY 87/88.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

There is no direct effect on competition and employment.

Marjorie T. Stewart, Assistant Secretary
Mark C. Drennen, Legislative Fiscal Officer

NOTICE OF INTENT

Department of Health and Human Resources
Office of Family Security

The Department of Health and Human Resources, Office of Family Security, proposes to eliminate all MAC override provisions relating to the acquisition cost of those drugs included under Louisiana Maximum Allowable Cost Regulations effective July 1, 1985.

Summary

Current policy requires any drug with estimated acquisition costs exceeding federal or Louisiana Maximum Allowable Costs (LMAC) to be reduced to the appropriate MAC limit unless a physician certifies that a specific brand is medically necessary for a patient. Under this condition the MAC limitation does not apply.

This proposed rule will require all drugs with estimated acquisition costs exceeding the Louisiana MAC to be reduced to the appropriate limit without exception. This proposal will eliminate the optional exception previously granted by the Pharmacy Program to contain state expenditures and maintain maximum benefits to recipients.

This proposed rule will not effect current program policy which prohibits recipients from being required to provide payment for any difference in a prescription's price that may occur as a result of Louisiana maximum allowable cost limits.

This proposed rule amends the Office of Family Security, maximum allowable cost (MAC) rule published in the *Louisiana Register,* Volume 9, Number 8, August 20, 1983, pages 552-561.

Comments

Interested persons may submit written comments through May 3, 1985, to the following address: Marjorie T. Stewart, Assistant Secretary, Box 44065, Baton Rouge, LA 70804. She is the person responsible for responding to inquiries regarding this proposed rule. A copy of the proposed rule and its fiscal and economic impact statement is available for review in each local Office of Family Security.

Notice of Public Hearing

A public hearing on this proposed rule will be held on May 3, 1985, in the Louisiana State Library Auditorium, 760 Riverside, Baton Rouge, LA beginning at 9:30 a.m. All interested persons will be afforded an opportunity to submit data, views or arguments, orally or in writing, at said hearing.

Proposed Rule

Louisiana Maximum Allowable Cost (LMAC) Regulations

The LMAC shall be applicable unless a lower federal MAC for the respective products is established.

The LMAC methodology used in the Pharmacy Program to determine allowable costs is as follows:

1. The wholesale cost of a specific strength/unit of a drug by a single manufacturer, labeler, etc. is the average wholesale cost of that drug as listed in the most current edition of *American Druggist Blue Book*/or its revisions, hereinafter referred to as the Blue Book.

2. The LMAC list is the DHHR, MAP listing of drugs, as generic name, by strength/unit and dosage which are reimbursable with a LMAC.

3. Estimated acquisition cost (EAC) is the agency's best estimate of what providers are generally paying for a drug. The basis for determining the EAC will be the current *American Druggist Blue Book* and its revisions. The agency has determined that the EAC for multi-source drugs with a LMAC shall be the LMAC or the Blue Book wholesale cost whichever is less.

4. The LMAC, determined and calculated for a multiple source drug, is the median wholesale cost of a drug for a specific strength/unit. The median wholesale price is determined by listing the average wholesale costs for a drug for a specific strength/unit for each readily available manufacturer, labeler, etc., and taking the median of wholesale costs (one half of the manufacturers, etc., will be above the median cost and one-half of the manufacturers will be below the median cost).

All LMAC costs will be computed as described above. The LMAC costs may be adjusted by the agency based on changes in the availability and EAC of the drugs. Any LMAC cost revisions will be based on *The American Druggist Blue Book* Data Center information. Such LMAC cost revisions will be sent to pharmacist and physician providers on a timely, monthly basis. A complete LMAC cost list will be distributed annually.

The list was determined by a study of the availability of drugs in the Louisiana Medical Assistance Program (MAP) for the purpose of determining reasonable estimated acquisition costs of drugs to allow for the effective and efficient administration of the MAP.

In no case may a recipient be required to provide payment for any difference in a prescription price that may occur with implementation of the LMAC limit, nor may OFS use a cost which exceeds the established maximums except as specified below.

The LMAC limits shall be applicable to all reimbursable drugs specified.

Regulatory Exception

Upon final state approval of this proposal, implementation shall be dependent on the approval of the Health Care Financing Administration (HCFA). Disapproval of this proposal by HCFA will automatically cancel the provisions of this rule and current policy will remain in effect.

Sandra L. Robinson, M.D., M.P.H.
Secretary and State Health Officer

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Pharmacy Program/Eliminate LMAC Override

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

This proposed rule is one of a series of four proposed rules which are designed to create a restricted formulary for the Medicaid prescription drug program. The total amount of potential savings if all four rules are implemented is $37,362,475 in state and federal funds.

The Executive Budget for 1985-86 allocates a total of $50,403,128 for Medicaid prescription drugs, a reduction of $28,461,187 from the amount requested by the agency. According to the Executive Budget, this reduced level of spending is to be achieved in part by conversion to a restricted formulary.

Implementation of this rule would eliminate the provision in the current Medicaid drug program which allows physicians to certify that a specific brand is medically necessary for a patient, thereby overriding federal or state MAC (maximum allowable cost) limitations. Elimination of the override provision does not apply to drugs for which a federal MAC limitation has been established. Savings to the Medicaid program achieved by this rule alone would be as follows:

	FY 1985-86	FY 1986-87	FY 1987-88
State	($484,035)	($496,881)	($507,812)
Federal	(859,388)	(876,079)	(895,372)
Total	($1,343,423)	($1,372,978)	($1,403,184)

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

Implementation of this proposed rule will result in reduction of $859,388 in FY 85-86; $876,097 in FY 86-87; and $895,372 in FY 87-88.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

Revenue impacts of this proposed rule cannot be predicted for individual providers. This proposed rule will reduce program reimbursement to providers statewide by $1,343,423 in FY 85-86; $1,372,978 in FY 86-87; and $1,403,184 in FY 87-88.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

There is no effect on competition and employment.

Marjorie T. Stewart
Assistant Secretary

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Department of Health and Human Resources
Office of Family Security

The Department of Health and Human Resources, Office of Family Security, proposes to remove from the Pharmacy Program's restricted formulary, effective July 1, 1985, certain drugs which are ranked the least necessary according to life sustaining necessity and federally mandated requirements.

Summary

The Pharmacy Program's restricted formulary was divided into therapeutic categories, with the cooperation of the Louisiana State University Medical Center, according to life sustaining necessity and federal requirements for inclusion to receive federal financial participation. The drugs which will be affected by this proposal generally reduce pain and suffering and/or promote health. Those drugs and categories of drugs which will be removed from the formulary and thereby made non-reimbursable include, the following:

Anti-inflammatory agents
Hypnotics and sedatives
Nitroglycerin dressings
Papaverine
Ergoloid preparations
Topical Antibiotics
Topical glucocorticoids (anti-pruritics etc.)
Antihistamines
Muscle relaxants
Skin and other Mucous Membrane Products
Electrolyte, Caloric and Water Balance
Keratolytic Agents
Anti-Anemic Drugs
Propoxyphene Napsylate plus Acetaminophen
Chlordiazepoxide plus Amitriptyline
Perphenazine plus Amitriptyline
Doxcycline Hydrochloride Tablets
Fluoride Preparations
Antihyperlipidemics
Enzymes, Digestants and Liptropics
Spasmolytics
Local Anesthetics (EENT)
EENT Vasoconstrictors
Scabicides and Pediculicides

This proposed rule is a cost containment measure to reduce state expenditures and provide maximum services for recipients within targeted appropriation levels.

Comments

Interested persons may submit written comments through May 3, 1985, to the following address: Marjorie T. Stewart, Assistant Secretary, Box 44065, Baton Rouge, LA 70804. She is the person responsible for responding to inquiries regarding this proposed rule. A copy of the proposed rule and its fiscal and economic impact statement is available for review in each local Office of Family Security.

Notice of Public Hearing

A public hearing on this proposed rule will be held on May 3, 1985, in the Louisiana State Library Auditorium, 760 Riverside, Baton Rouge, LA beginning at 9:30 a.m. All interested persons will be afforded an opportunity to submit data, views or arguments, orally or in writing, at said hearing.

Proposed Rule

Coverage of reimbursable drugs is limited to those listed by generic name and strength/unit, and dosage form. This list of therapeutic drugs shall be known as a restricted formulary, displayed by drug name, strength/unit, and dosage form.

Drugs that the U.S. Food and Drug Administration has proposed, in a Notice of Opportunity for Hearing, to withdraw from the market because they are "less than effective" including those determined to be identical, related or similar shall be excluded from all categories of the restricted formulary and shall not be reimbursable.

The State of Louisiana, Medical Assistance Program, restricted formulary shall be as follows:

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
ACETAZOLAMIDE	125.000 MG	TABLET
ACETAZOLAMIDE	250.000 MG	TABLET
ACETOHEXAMIDE	250.000 MG	TABLET
ACETOHEXAMIDE	500.000 MG	TABLET
ACYCLOVIR	5.000 %	OINTMENT
ALBUTEROL	2.000 MG	TABLET
ALBUTEROL	4.000 MG	TABLET
ALBUTEROL	90.000 MCG	AEROSOL
ALBUTEROL	90.000 MCG	INHALANT
ALLOPURINOL	100.000 MG	TABLET
ALLOPURINOL	300.000 MG	TABLET
AMANTADINE HCL	50.000 MG/5ML	SOLUTION
AMANTADINE HCL	100.000 MG	CAPSULE
AMITRIPTYLINE HCL	10.000 MG	TABLET
AMITRIPTYLINE HCL	25.000 MG	TABLET
AMITRIPTYLINE HCL	50.000 MG	TABLET
AMITRIPTYLINE HCL	75.000 MG	TABLET
AMITRIPTYLINE HCL	100.000 MG	TABLET
AMITRIPTYLINE HCL	150.000 MG	TABLET
AMOXAPINE	25.000 MG	TABLET
AMOXAPINE	50.000 MG	TABLET
AMOXAPINE	100.000 MG	TABLET
AMOXAPINE	150.000 MG	TABLET
AMOXICILLIN TRIHYDRATE	250.000 MG	CAPSULE
AMOXICILLIN TRIHYDRATE	125.000 MG/5ML	SUSPENSION
AMOXICILLIN TRIHYDRATE	250.000 MG/5ML	SUSPENSION
AMOXICILLIN TRIHYDRATE	500.000 MG	CAPSULE
AMPICILLIN SODIUM	1.000 G	INJECTION
AMPICILLIN SODIUM	2.000 G	INJECTION
AMPICILLIN SODIUM	250.000 MG	INJECTION
AMPICILLIN SODIUM	500.000 MG	INJECTION
AMPICILLIN TRIHYDRATE	125.000 MG/5ML	SUSPENSION
AMPICILLIN TRIHYDRATE	250.000 MG	CAPSULE
AMPICILLIN TRIHYDRATE	250.000 MG/5ML	SUSPENSION
AMPICILLIN TRIHYDRATE	500.000 MG	CAPSULE
ANTIHEMOPHILIC FACTOR	U	INJECTION
ATENOLOL COMBINATION		TABLET
ATENOLOL	50.000 MG	
CHLORTHALIDONE	25.000 MG	
ATENOLOL COMBINATION		TABLET
ATENOLOL	100.000 MG	
CHLORTHALIDONE	25.000 MG	
ATENOLOL	100.000 MG	TABLET
ATENOLOL	50.000 MG	TABLET
AZATHIOPRINE	25.000 MG	TABLET
BECLOMETHASONE DIPROPIONATE	16.800 G	NASAL SPRAY

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
BECLOMETHASONE DIPROPIONATE	16.800 G	AEROSOL
BROMOCRIPTINE MESYLATE	2.500 MG	TABLET
BUTORPHANOL TARTRATE	2.000 MG/1ML	INJECTION
CALCITROL	.250 MCG	CAPSULE
CALCITROL	.500 MCG	CAPSULE
CALCIUM CHLORIDE	100.000 MG/1ML	INJECTION
CALCIUM GLUCONATE	500.000 MG	TABLET
CALCIUM LACTATE	300.000 MG	TABLET
CALCIUM LACTATE	600.000 MG	TABLET
CAPTOPRIL	25.000 MG	TABLET
CAPTOPRIL	50.000 MG	TABLET
CAPTOPRIL	100.000 MG	TABLET
CARBACHOL	.750 %	SOLUTION
CARBACHOL	1.500 %	SOLUTION
CARBACHOL	2.250 %	SOLUTION
CARBACHOL	3.000 %	SOLUTION
CARBAMAZEPINE	200.000 MG	TABLET
CARBENICILLIN INDANYL SODIUM	382.000 MG	TABLET
CATHETERS		
CEFACLOR	250.000 MG	CAPSULE
CEFACLOR	500.000 MG	CAPSULE
CEFACLOR	125.000 MG/5ML	SUSPENSION
CEFACLOR	250.000 MG/5ML	SUSPENSION
CEFAZOLIN SODIUM	1.000 G	INJECTION
CEPHALEXIN MONOHYDRATE	250.000 MG	CAPSULE
CEPHALEXIN MONOHYDRATE	250.000 MG/5ML	SUSPENSION
CEPHALEXIN MONOHYDRATE	500.000 MG	CAPSULE
CEPHRADINE	250.000 MG	CAPSULE
CEPHRADINE	250.000 MG/5ML	SUSPENSION
CEPHRADINE	500.000 MG	CAPSULE
CHLORAMBUCIL	2.000 MG	TABLET
CHLOROTHIAZIDE	250.000 MG/5ML	SUSPENSION
CHLOROTRIANISENE	12.000 MG	CAPSULE
CHLOROTRIANISENE	25.000 MG	CAPSULE
CHLOROTRIANISENE	72.000 MG	CAPSULE
CHLORPROMAZINE	25.000 MG	SUPPOSITORY
CHLORPROMAZINE	100.000 MG	SUPPOSITORY
CHLORPROMAZINE HCL	10.000 MG	TABLET
CHLORPROMAZINE HCL	10.000 MG/5ML	SOLUTION
CHLORPROMAZINE HCL	25.000 MG	TABLET
CHLORPROMAZINE HCL	25.000 MG/1ML	INJECTION
CHLORPROMAZINE HCL	30.000 MG/1ML	SOLUTION

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
CHLORPROMAZINE HCL	50.000 MG	TABLET
CHLORPROMAZINE HCL	100.000 MG	TABLET
CHLORPROMAZINE HCL	100.000 MG/1ML	SOLUTION
CHLORPROMAZINE HCL	200.000 MG	TABLET
CHLORPROPAMIDE	100.000 MG	TABLET
CHLORPROPAMIDE	250.000 MG	TABLET
CHLORTHALIDONE	25.000 MG	TABLET
CHLORTHALIDONE	50.000 MG	TABLET
CHLORTHALIDONE	100.000 MG	TABLET
CHLORTHALIDONE COMBINATION		TABLET
CHLORTHALIDONE	15.000 MG	
CLONIDINE HCL	100.000 MCG	
CHROMIUM	4.000 MCG/1ML	INJECTION
CIMETIDINE	200.000 MG	TABLET
CIMETIDINE	300.000 MG	TABLET
CIMETIDINE	400.000 MG	TABLET
CIMETIDINE HCL	300.000 MG/5ML	SOLUTION
CLONAZEPAM	1.000 MG	TABLET
CLONAZEPAM	2.000 MG	TABLET
CLONAZEPAM	500.000 MCG	TABLET
CLONIDINE HCL	100.000 MCG	TABLET
CLONIDINE HCL	200.000 MCG	TABLET
CLONIDINE HCL	300.000 MCG	TABLET
CLOXACILLIN SODIUM	125.000 MG/5ML	SOLUTION
CLOXACILLIN SODIUM	250.000 MG	CAPSULE
CODEINE PHOSPHATE COMBINATION		TABLET
CODEINE PHOSPHATE	15.000 MG	
ACETAMINOPHEN	300.000 MG	
CODEINE PHOSPHATE COMBINATION		SOLUTION
CODEINE PHOSPHATE	12.000 MG	
ACETAMINOPHEN	125.000 MG	
ALCOHOL	7.000 %	
CODEINE PHOSPHATE COMBINATION		TABLET
CODEINE PHOSPHATE	15.000 MG	
ASPIRIN	300.000 MG	
CODEINE PHOSPHATE COMBINATION		TABLET
CODEINE PHOSPHATE	30.000 MG	
ACETAMINOPHEN	300.000 MG	
CODEINE PHOSPHATE COMBINATION		TABLET
CODEINE PHOSPHATE	30.000 MG	
ASPIRIN	300.000 MG	
CODEINE PHOSPHATE COMBINATION		TABLET
CODEINE PHOSPHATE	60.000 MG	
ACETAMINOPHEN	300.000 MG	
CODEINE PHOSPHATE COMBINATION		TABLET
CODEINE PHOSPHATE	60.000 MG	
ASPIRIN	300.000 MG	

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
COLCHICINE	500.000 MCG	TABLET
COLCHICINE	600.000 MCG	TABLET
CONTRACEPTIVE, DEVICES		TABLET
CONTRACEPTIVE, ORAL		
NORETHYNODREL	2.500 MG	
MESTRANOL	100.000 MCG	TABLET
CONTRACEPTIVE, ORAL		
NORETHINDRONE	2.000 MG	
MESTRANOL	100.000 MCG	TABLET
CONTRACEPTIVE, ORAL		
ETHYNODIOL DIACETATE	1.000 MG	
MESTRANOL	100.000 MCG	TABLET
CONTRACEPTIVE, ORAL		
ETHYNODIOL DIACETATE	1.000 MG	
MESTRANOL	100.000 MCG	
PLACEBO		TABLET
CONTRACEPTIVE, ORAL		
NORETHINDRONE	1.000 MG	
MESTRANOL	80.000 MCG	
PLACEBO		TABLET
CONTRACEPTIVE, ORAL		
NORETHINDRONE	1.000 MG	
MESTRANOL	80.000 MCG	TABLET
CONTRACEPTIVE, ORAL		
NORETHINDRONE	1.000 MG	
MESTRANOL	50.000 MCG	
PLACEBO		TABLET
CONTRACEPTIVE, ORAL		
NORETHINDRONE	1.000 MG	
ETHINYL ESTRADIOL	50.000 MCG	TABLET
CONTRACEPTIVE, ORAL		
NORETHINDRONE	1.000 MG	
ETHINYL ESTRADIOL	50.000 MCG	
PLACEBO		TABLET
CONTRACEPTIVE, ORAL		
NORETHINDRONE ACETATE	1.000 MG	
ETHINYL ESTRADIOL	50.000 MCG	TABLET
CONTRACEPTIVE, ORAL		
NORETHINDRONE ACETATE	1.000 MG	
ETHINYL ESTRADIOL	50.000 MCG	
PLACEBO		TABLET
CONTRACEPTIVE, ORAL		
NORETHINDRONE ACETATE	2.500 MG	
ETHINYL ESTRADIOL	50.000 MCG	TABLET
CONTRACEPTIVE, ORAL		
NORETHINDRONE ACETATE	2.500 MG	
ETHINYL ESTRADIOL	50.000 MCG	
PLACEBO		

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	1.000 MG	
ETHINYL ESTRADIOL	35.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	1.000 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	0.500 MG	
ETHINYL ESTRADIOL	35.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	0.500 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	0.400 MG	
ETHINYL ESTRADIOL	35.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	0.400 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	0.500 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLUS		
NORETHINDRONE	1.000 MG	
ETHINYL ESTRADIOL	30.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	0.500 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLUS		
NORETHINDRONE	1.000 MG	
ETHINYL ESTRADIOL	30.000 MCG	
PLUS		
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	0.500 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLUS		
NORETHINDRONE	1.000 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLUS		
NORETHINDRONE	0.500 MG	
ETHINYL ESTRADIOL	35.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	0.500 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLUS		
NORETHINDRONE	1.000 MG	

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
ETHINYL ESTRADIOL	35.000 MCG	
PLUS		
NORETHINDRONE	0.500 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLUS		
PLACEBO		TABLET
CONTRACEPTIVE, ORAL		
NORETHINDRONE	0.500 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLUS		
NORETHINDRONE	0.750 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLUS		
NORETHINDRONE	1.000 MG	
ETHINYL ESTRADIOL	35.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	0.500 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLUS		
NORETHINDRONE	0.750 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLUS		
NORETHINDRONE	1.000 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLUS		
PLACEBO		TABLET
CONTRACEPTIVE, ORAL		
LEVONORGESTREL	50.000 MCG	
ETHINYL ESTRADIOL	30.000 MCG	
PLUS		
LEVONORGESTREL	75.000 MCG	
ETHINYL ESTRADIOL	40.000 MCG	
PLUS		
LEVONORGESTREL	125.000 MCG	
ETHINYL ESTRADIOL	30.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
LEVONORGESTREL	50.000 MCG	
ETHINYL ESTRADIOL	30.000 MCG	
PLUS		
LEVONORGESTREL	75.000 MCG	
ETHINYL ESTRADIOL	40.000 MCG	
PLUS		
LEVONORGESTREL	125.000 MCG	
ETHINYL ESTRADIOL	30.000 MCG	
PLUS		
PLACEBO		

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE ACETATE	1.500 MG	
ETHINYL ESTRADIOL	30.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE ACETATE	1.500 MG	
ETHINYL ESTRADIOL	30.000 MCG	
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE ACETATE	1.000 MG	
ETHINYL ESTRADIOL	20.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE ACETATE	1.000 MG	
ETHINYL ESTRADIOL	20.000 MCG	
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
NORGESTREL	0.300 MG	
ETHINYL ESTRADIOL	30.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORGESTREL	0.300 MG	
ETHINYL ESTRADIOL	30.000 MCG	
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
LEVONORGESTREL	0.150 MG	
ETHINYL ESTRADIOL	30.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
LEVONORGESTREL	0.150 MG	
ETHINYL ESTRADIOL	30.000 MCG	
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
ETHYNODIOL DIACETATE	1.000 MG	
ETHINYL ESTRADIOL	35.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
ETHYNODIOL DIACETATE	1.000 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
NORGESTREL	0.500 MG	
ETHINYL ESTRADIOL	50.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORGESTREL	0.500 MG	
ETHINYL ESTRADIOL	50.000 MCG	
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
ETHYNODIOL DIACETATE	1.000 MG	
ETHINYL ESTRADIOL	50.000 MCG	

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
CONTRACEPTIVE, ORAL		TABLET
ETHYNODIOL DIACETATE	1.000 MG	
ETHINYL ESTRADIOL	50.000 MCG	
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	1.000 MG	
MESTRANOL	50.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORETHYNODREL	5.000 MG	
MESTRANOL	75.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
ETHINYL ESTRADIOL	50.000 MCG	
NORGESTREL	500.000 MCG	
PLACEBO		
COPPER CHLORIDE	400.000 MCG/1ML	INJECTION
COPPER SULFATE	2.000 MG/1ML	INJECTION
CORTISONE ACETATE	5.000 MG	TABLET
CORTISONE ACETATE	10.000 MG	TABLET
CORTISONE ACETATE	25.000 MG	TABLET
CORTISONE ACETATE	50.000 MG/1ML	INJECTION
CROMOLYN SODIUM	20.000 MG	CAPSULE
CYCLOPHOSPHAMIDE	50.000 MG	TABLET
CYCLOSERINE	250.000 MG	CAPSULE
CYCLOSPORINE	50.000 MG/1ML	INJECTION
CYCLOSPORINE	100.000 MG/1ML	SOLUTION
DANAZOL	50.000 MG	CAPSULE
DANAZOL	100.000 MG	CAPSULE
DANAZOL	200.000 MG	CAPSULE
DESMOPRESSIN ACETATE	.010 %	SOLUTION
DEXAMETHASONE	.500 MG/5ML	SOLUTION
DEXAMETHASONE	1.500 MG	TABLET
DEXAMETHASONE	4.000 MG	TABLET
DEXAMETHASONE	250.000 MCG	TABLET
DEXAMETHASONE	500.000 MCG	TABLET
DEXAMETHASONE	750.000 MCG	TABLET
DEXAMETHASONE SODIUM PHOSPHATE	4.000 MG/1ML	INJECTION
DIAGNOSTIC ITEMS	50.000 MG	TABLET
DICHLORPHENAMIDE	62.500 MG/5ML	SUSPENSION
DICLOXACILLIN SODIUM		

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
DICLOXACILLIN SODIUM	250.000 MG	CAPSULE
DICLOXACILLIN SODIUM	500.000 MG	CAPSULE
DICUMAROL	25.000 MG	TABLET
DICUMAROL	25.000 MG	CAPSULE
DICUMAROL	50.000 MG	TABLET
DICUMAROL	50.000 MG	CAPSULE
DICUMAROL	100.000 MG	TABLET
DIGITOXIN	50.000 MCG	TABLET
DIGITOXIN	100.000 MCG	TABLET
DIGITOXIN	150.000 MCG	TABLET
DIGITOXIN	200.000 MCG	TABLET
DIGOXIN	50.000 MCG	CAPSULE
DIGOXIN	50.000 MCG/1ML	SOLUTION
DIGOXIN	100.000 MCG	CAPSULE
DIGOXIN	100.000 MCG/1ML	INJECTION
DIGOXIN	125.000 MCG	TABLET
DIGOXIN	200.000 MCG	CAPSULE
DIGOXIN	250.000 MCG	TABLET
DIGOXIN	250.000 MCG/1ML	INJECTION
DIGOXIN	500.000 MCG	TABLET
DILTIAZEM HCL	30.000 MG	TABLET
DILTIAZEM HCL	60.000 MG	TABLET
DIPHENHYDRAMINE HCL	50.000 MG/1ML	INJECTION
DIPIVEFRIN HCL	.100 %	SOLUTION
DISOPYRAMIDE PHOSPHATE	100.000 MG	CAPSULE
DISOPYRAMIDE PHOSPHATE	150.000 MG	CAPSULE
DISULFIRAM	250.000 MG	TABLET
DISULFIRAM	500.000 MG	TABLET
DOXEPIN HCL	10.000 MG	CAPSULE
DOXEPIN HCL	10.000 MG/1ML	SOLUTION
DOXEPIN HCL	25.000 MG	CAPSULE
DOXEPIN HCL	50.000 MG	CAPSULE
DOXEPIN HCL	75.000 MG	CAPSULE
DOXEPIN HCL	100.000 MG	CAPSULE
DOXEPIN HCL	150.000 MG	CAPSULE
ECHOTHIOPHATE IODIDE	.030 %	SOLUTION

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
ECHOTHIOPHATE IODIDE	.060 %	SOLUTION
ECHOTHIOPHATE IODIDE	.125 %	SOLUTION
ECHOTHIOPHATE IODIDE	.250 %	SOLUTION
EPHEDRINE SULFATE	20.000 MG/5ML	SOLUTION
EPHEDRINE SULFATE	25.000 MG	CAPSULE
EPHEDRINE SULFATE	50.000 MG	CAPSULE
EPINEPHRINE BITARTRATE COMBINATION		SOLUTION
EPINEPHRINE BITARTRATE	.500 %	
PILOCARPINE HCL	1.000 %	
EPINEPHRINE BITARTRATE COMBINATION		SOLUTION
EPINEPHRINE BITARTRATE	.500 %	
PILOCARPINE HCL	2.000 %	
EPINEPHRINE BITARTRATE COMBINATION		SOLUTION
EPINEPHRINE BITARTRATE	.500 %	
PILOCARPINE HCL	3.000 %	
EPINEPHRINE BITARTRATE COMBINATION		SOLUTION
EPINEPHRINE BITARTRATE	.500 %	
PILOCARPINE HCL	4.000 %	
EPINEPHRINE BITARTRATE COMBINATION		SOLUTION
EPINEPHRINE BITARTRATE	.500 %	
PILOCARPINE HCL	6.000 %	
EPINEPHRINE HCL	.100 %	SOLUTION
EPINEPHRINE HCL	.100 %	SOLUTION
EPINEPHRINE HCL	.250 %	SOLUTION
EPINEPHRINE HCL	.500 %	SOLUTION
EPINEPHRINE HCL	.550 %	SOLUTION
EPINEPHRINE HCL	1.000 %	SOLUTION
EPINEPHRINE HCL	1.000 MG/1ML	INJECTION
EPINEPHRINE HCL	2.000 %	SOLUTION
EPINEPHRINE HCL	100.000 MCG/1ML	INJECTION
EPINEPHRYL BORATE	0.500 %	SOLUTION
EPINEPHRYL BORATE	.250 %	VISCOUS SOLUTION
EPINEPHRYL BORATE	1.000 %	VISCOUS SOLUTION
ERGOCALCIFEROL	8000.000 U/1ML	SOLUTION
ERGOCALCIFEROL	25000.000 U	CAPSULE
ERGOCALCIFEROL	50000.000 U	TABLET
ERGOCALCIFEROL	50000.000 U	CAPSULE
ERGOCALCIFEROL	500000.000 U/1ML	INJECTION
ERGOTAMINE TARTRATE	1.000 MG	TABLET
ERGOTAMINE TARTRATE	2.000 MG	SOLUBLE TABLET
ERYTHROMYCIN	250.000 MG	ENTERIC COATED TABLET
ERYTHROMYCIN ESTOLATE	250.000 MG/5ML	SUSPENSION
ERYTHROMYCIN ETHYLSUCCINATE	400.000 MG/5ML	SUSPENSION
ERYTHROMYCIN STEARATE	250.000 MG	TABLET
ERYTHROMYCIN STEARATE	500.000 MG	TABLET
ESTROGENS CONJUGATED	1.250 MG	TABLET

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
ESTROGENS CONJUGATED	2.500 MG	TABLET
ESTROGENS CONJUGATED	300.000 MCG	TABLET
ESTROGENS CONJUGATED	625.000 MCG	TABLET
ETHAMBUTOL HCL	100.000 MG	TABLET
ETHAMBUTOL HCL	400.000 MG	TABLET
ETHIONAMIDE	250.000 MG	TABLET
ETHOSUXIMIDE	250.000 MG	CAPSULE
ETHOSUXIMIDE	250.000 MG/5ML	SUSPENSION
ETHOTOIN	250.000 MG	TABLET
ETHOTOIN	500.000 MG	TABLET
FLUNISOLIDE	250.000 MCG/USE	AEROSOL
FLUOROURACIL	1.000 %	CREAM
FLUOROURACIL	5.000 %	CREAM
FLUOROURACIL	50.000 MG/1ML	INJECTION
FLUOXYMESTERONE	5.000 MG	TABLET
FLUOXYMESTERONE	10.000 MG	TABLET
FLUPHENAZINE HCL	1.000 MG	TABLET
FLUPHENAZINE HCL	2.500 MG	TABLET
FLUPHENAZINE HCL	2.500 MG/1ML	INJECTION
FLUPHENAZINE HCL	2.500 MG/5ML	SOLUTION
FLUPHENAZINE HCL	5.000 MG	TABLET
FLUPHENAZINE HCL	5.000 MG/1ML	SOLUTION
FLUPHENAZINE HCL	10.000 MG	TABLET
FUROSEMIDE	10.000 MG/1ML	INJECTION
FUROSEMIDE	10.000 MG/1ML	SOLUTION
FUROSEMIDE	20.000 MG	TABLET
FUROSEMIDE	40.000 MG	TABLET

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
GENTAMICIN SULFATE	.300 %	SOLUTION
GENTAMICIN SULFATE	40.000 MG/1ML	INJECTION
GLIPIZIDE	5.000 MG	TABLET
GLIPIZIDE	10.000 MG	TABLET
GLYBURIDE	2.500 MG	TABLET
GLYBURIDE	5.000 MG	TABLET
GLYBURIDE	1.250 MG	TABLET
GRISEOFULVIN	250.000 MG	CAPSULE
GRISEOFULVIN	500.000 MG	TABLET
GUANABENZ ACETATE	4.000 MG	TABLET
GUANABENZ ACETATE	8.000 MG	TABLET
GUANETHIDINE MONOSULFATE COMBINATION		TABLET
GUANETHIDINE MONOSULFATE	10.000 MG	
HYDROCHLOROTHIAZIDE	25.000 MG	
GUANETHIDINE SULFATE	10.000 MG	TABLET
GUANETHIDINE SULFATE	25.000 MG	TABLET
HALOPERIDOL	1.000 MG	TABLET
HALOPERIDOL	2.000 MG	TABLET
HALOPERIDOL	5.000 MG	TABLET
HALOPERIDOL	10.000 MG	TABLET
HALOPERIDOL	20.000 MG	TABLET
HALOPERIDOL	500.000 MCG	TABLET
HALOPERIDOL LACTATE	2.000 MG/1ML	SOLUTION
HALOPERIDOL LACTATE	5.000 MG/1ML	INJECTION
HEPARIN SODIUM	10.000 U/1ML	INJECTION
HEPARIN SODIUM	100.000 U/1ML	INJECTION
HEPARIN SODIUM	1000.000 U/1ML	INJECTION
HEPARIN SODIUM	2000.000 U/1ML	INJECTION
HEPARIN SODIUM	2500.000 U/1ML	INJECTION
HEPARIN SODIUM	5000.000 U/1ML	INJECTION
HEPARIN SODIUM	7500.000 U/1ML	INJECTION
HEPARIN SODIUM	10000.000 U/1ML	INJECTION
HEPARIN SODIUM	15000.000 U/1ML	INJECTION
HEPARIN SODIUM	20000.000 U/1ML	INJECTION
HEPARIN SODIUM	30000.000 U/1ML	INJECTION
HEPARIN SODIUM	40000.000 U/1ML	INJECTION
HEPATITIS B IMMUNE GLOBULIN		INJECTION
HYDRALAZINE HCL	10.000 MG	TABLET
HYDRALAZINE HCL	25.000 MG	TABLET
HYDRALAZINE HCL	50.000 MG	TABLET
HYDRALAZINE HCL COMBINATION		TABLET
HYDRALAZINE HCL	25.000 MG	
HYDROCHLOROTHIAZIDE	15.000 MG	
HYDRALAZINE HCL COMBINATION		TABLET
HYDRALAZINE HCL	25.000 MG	
RESERPINE	100.000 MCG	
HYDROCHLOROTHIAZIDE	15.000 MG	

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
HYDROCHLOROTHIAZIDE	25.000 MG	TABLET
HYDROCHLOROTHIAZIDE	50.000 MG	TABLET
HYDROCHLOROTHIAZIDE	100.000 MG	TABLET
HYDROCHLOROTHIAZIDE COMBINATION		TABLET
HYDROCHLOROTHIAZIDE	25.000 MG	
SPIRONOLACTONE	25.000 MG	
HYDROCHLOROTHIAZIDE COMBINATION		TABLET
HYDROCHLOROTHIAZIDE	25.000 MG	
PROPRANOLOL	80.000 MG	
HYDROCHLOROTHIAZIDE COMBINATION		TABLET
HYDROCHLOROTHIAZIDE	25.000 MG	
PROPRANOLOL	40.000 MG	
HYDROCHLOROTHIAZIDE COMBINATION		TABLET
HYDROCHLOROTHIAZIDE	25.000 MG	
TIMOLOL	10.000 MG	
HYDROCHLOROTHIAZIDE COMBINATION		TABLET
HYDROCHLOROTHIAZIDE	25.000 MG	
RESERPINE	125.000 MCG	
HYDROCHLOROTHIAZIDE COMBINATION		TABLET
HYDROCHLOROTHIAZIDE	50.000 MG	
TRIAMTERENE	75.000 MG	
HYDROCHLOROTHIAZIDE COMBINATION		CAPSULE
HYDROCHLOROTHIAZIDE	25.000 MG	
TRIAMTERENE	50.000 MG	
HYDROCORTISONE	10.000 MG	TABLET
HYDROCORTISONE	20.000 MG	TABLET
IDOXURIDINE	.100 %	SOLUTION
IDOXURIDINE	.500 %	OINTMENT
IMIPRAMINE HCL	10.000 MG	TABLET
IMIPRAMINE HCL	25.000 MG	TABLET
IMIPRAMINE HCL	50.000 MG	TABLET
IMMUNE GLOBULIN		INJECTION
INSULIN	40.000 U/1ML	INJECTION
INSULIN	100.000 U/1ML	INJECTION
INSULIN ISOPHANE	40.000 U/1ML	INJECTION
INSULIN ISOPHANE	100.000 U/1ML	INJECTION

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
INSULIN ISOPHANE BEEF PURIFIED	100.000 U/1ML	INJECTION
INSULIN ISOPHANE PORK PURIFIED	100.000 U/1ML	INJECTION
INSULIN PORK	40.000 U/1ML	INJECTION
INSULIN REGULAR HUMAN	100.000 U/1ML	INJECTION
INSULIN ZINC	100.000 U/1ML	INJECTION
INSULIN ZINC BEEF PURIFIED	100.000 U/1ML	INJECTION
INSULIN ZINC EXTENDED	40.000 U/1ML	INJECTION
INSULIN ZINC EXTENDED	100.000 U/1ML	INJECTION
INSULIN ZINC PORK PURIFIED	100.000 U/1ML	INJECTION
INSULIN ZINC PROTAMINE	40.000 U/1ML	INJECTION
INSULIN ZINC PROTAMINE	100.000 U/1ML	INJECTION
INSULIN SYRINGES		
ISOCARBOXAZID	10.000 MG	TABLET
ISOETHARINE MESYLATE	.600 %	SOLUTION
ISONIAZID	300.000 MG	TABLET
ISOPROTERENOL HCL	.250 %	SOLUTION
ISOSORBIDE DINITRATE	2.500 MG	SOLUBLE TABLET
ISOSORBIDE DINITRATE	5.000 MG	TABLET
ISOSORBIDE DINITRATE	5.000 MG	SOLUBLE TABLET
ISOSORBIDE DINITRATE	10.000 MG	TABLET
ISOSORBIDE DINITRATE	10.000 MG	SOLUBLE TABLET
ISOSORBIDE DINITRATE	20.000 MG	TABLET
KETOCONAZOLE	200.000 MG	TABLET
LABETALOL	200.000 MG	TABLET
LABETALOL	300.000 MG	TABLET
LEUCOVORIN CALCIUM	5.000 MG	TABLET
LEUCOVORIN CALCIUM	25.000 MG	TABLET
LEVODOPA	100.000 MG	TABLET
LEVODOPA	100.000 MG	CAPSULE
LEVODOPA	250.000 MG	TABLET
LEVODOPA	250.000 MG	CAPSULE
LEVODOPA	500.000 MG	TABLET
LEVODOPA	500.000 MG	CAPSULE
LEVODOPA COMBINATION		TABLET
LEVODOPA	100.000 MG	
CARBIDOPA	10.000 MG	
LEVODOPA COMBINATION		TABLET
LEVODOPA	100.000 MG	
CARBIDOPA	25.000 MG	
LEVODOPA COMBINATION		TABLET
LEVODOPA	250.000 MG	

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
CARBIDOPA	25.000 MG	
LEVOTHYROXINE SODIUM	25.000 MCG	TABLET
LEVOTHYROXINE SODIUM	50.000 MCG	TABLET
LEVOTHYROXINE SODIUM	100.000 MCG	TABLET
LEVOTHYROXINE SODIUM	125.000 MCG	TABLET
LEVOTHYROXINE SODIUM	150.000 MCG	TABLET
LEVOTHYROXINE SODIUM	175.000 MCG	TABLET
LEVOTHYROXINE SODIUM	200.000 MCG	TABLET
LEVOTHYROXINE SODIUM	300.000 MCG	TABLET
LIDOCAINE HCL	1.000 %	INJECTION
LIDOCAINE HCL	2.000 %	INJECTION
LIDOCAINE HCL	20.000 MG/1ML	INJECTION
LIDOCAINE HCL	40.000 MG/1ML	INJECTION
LIOTHYRONINE SODIUM	5.000 MCG	TABLET
LIOTHYRONINE SODIUM	25.000 MCG	TABLET
LIOTHYRONINE SODIUM	50.000 MCG	TABLET
LIOTRIX	30.000 MCG	TABLET
LIOTRIX	60.000 MCG	TABLET
LIOTRIX	125.000 MCG	TABLET
LIOTRIX	200.000 MCG	TABLET
LITHIUM CARBONATE	300.000 MG	CAPSULE
LITHIUM CARBONATE	300.000 MG	TABLET
LITHIUM CITRATE	8.000 MEQ/5ML	SOLUTION
LYPRESSIN	185.000 MCG/1ML	SOLUTION
MAFENIDE ACETATE	8.500 %	CREAM
MAGNESIUM SULFATE	500.000 MG/1ML	INJECTION
MANGANESE CHLORIDE	100.000 MCG/1ML	INJECTION
MANGANESE SULFATE	100.000 MCG/1ML	INJECTION
MAPROTILINE HCL	25.000 MG	TABLET
MAPROTILINE HCL	50.000 MG	TABLET
MAPROTILINE HCL	75.000 MG	TABLET
MEBENDAZOLE	100.000 MG	CHEWABLE TABLET
MEDROXYPROGESTERONE ACETATE	2.500 MG	TABLET
MEDROXYPROGESTERONE ACETATE	10.000 MG	TABLET
MELPHALAN	2.000 MG	TABLET
MEPERIDINE HCL	25.000 MG/1ML	INJECTION
MEPERIDINE HCL	50.000 MG	TABLET
MEPERIDINE HCL	50.000 MG/1ML	INJECTION
MEPERIDINE HCL	50.000 MG/5ML	SOLUTION
MEPERIDINE HCL	75.000 MG/1ML	INJECTION
MEPERIDINE HCL	100.000 MG	TABLET
MEPERIDINE HCL	100.000 MG/1ML	INJECTION
MEPHENYTOIN	100.000 MG	TABLET
MEPHOBARBITAL	30.000 MG	TABLET
MEPHOBARBITAL	100.000 MG	TABLET

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
MESORIDAZINE BESYLATE	10.000 MG	TABLET
MESORIDAZINE BESYLATE	25.000 MG	TABLET
MESORIDAZINE BESYLATE	25.000 MG/1ML	SOLUTION
MESORIDAZINE BESYLATE	25.000 MG/1ML	INJECTION
MESORIDAZINE BESYLATE	50.000 MG	TABLET
MESORIDAZINE BESYLATE	100.000 MG	TABLET
METAPROTERENOL SULFATE	10.000 MG	TABLET
METAPROTERENOL SULFATE	10.000 MG/5ML	SOLUTION
METAPROTERENOL SULFATE	20.000 MG	TABLET
METAPROTERENOL SULFATE	650.000 MCG	AEROSOL
METHENAMINE MANDELATE	1.000 G	ENTERIC COATED TABLET
METHENAMINE MANDELATE	500.000 MG	ENTERIC COATED TABLET
METHIMAZOLE	5.000 MG	TABLET
METHIMAZOLE	10.000 MG	TABLET
METHOTREXATE	2.500 MG	TABLET
METHOTREXATE SODIUM	2.500 MG/1ML	INJECTION
METHOTREXATE SODIUM	25.000 MG/1ML	INJECTION
METHOTREXATE SODIUM	50.000 MG	INJECTION
METHSUXIMIDE	150.000 MG	CAPSULE
METHSUXIMIDE	300.000 MG	CAPSULE
METHYLDOPA	125.000 MG	TABLET
METHYLDOPA	250.000 MG	TABLET
METHYLDOPA	500.000 MG	TABLET
METHYLDOPA COMBINATION METHYLDOPA HYDROCHLOROTHIAZIDE	250.000 MG 15.000 MG	TABLET
METHYLDOPA COMBINATION METHYLDOPA HYDROCHLOROTHIAZIDE	250.000 MG 25.000 MG	TABLET
METHYLDOPA COMBINATION METHYLDOPA HYDROCHLOROTHIAZIDE	500.000 MG 30.000 MG	TABLET
METHYLDOPA COMBINATION METHYLDOPA HYDROCHLOROTHIAZIDE	500.000 MG 50.000 MG	TABLET
METHYLPHENIDATE HCL	5.000 MG	TABLET
METHYLPHENIDATE HCL	10.000 MG	TABLET
METHYLPHENIDATE HCL	20.000 MG	TABLET
METHYSERGIDE MALEATE	2.000 MG	TABLET
METOPROLOL TARTRATE	50.000 MG	TABLET

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
METOPROLOL TARTRATE	100.000 MG	TABLET
METRONIDAZOLE	250.000 MG	TABLET
MINOXIDIL	2.500 MG	TABLET
MINOXIDIL	10.000 MG	TABLET
MORPHINE SULFATE	4.000 MG/1ML	INJECTION
MORPHINE SULFATE	8.000 MG/1ML	INJECTION
MORPHINE SULFATE	10.000 MG/1ML	INJECTION
MORPHINE SULFATE	10.000 MG/5ML	SOLUTION
MORPHINE SULFATE	15.000 MG/1ML	INJECTION
MORPHINE SULFATE	20.000 MG/5ML	SUSPENSION
NADOLOL	40.000 MG	TABLET
NADOLOL	80.000 MG	TABLET
NADOLOL	120.000 MG	TABLET
NADOLOL	160.000 MG	TABLET
NALBUPHINE	10.000 MG/1ML	INJECTION
NATAMYCIN	5.000 %	SUSPENSION
NIFEDIPINE	10.000 MG	CAPSULE
NITROFURANTOIN	50.000 MG	CAPSULE
NITROFURANTOIN	50.000 MG	TABLET
NITROFURANTOIN	100.000 MG	CAPSULE
NITROFURANTOIN	100.000 MG	TABLET
NITROGLYCERIN	2.500 MG	EXTENDED RELEASE CAPSULE
NITROGLYCERIN	6.000 MG	EXTENDED RELEASE CAPSULE
NITROGLYCERIN	6.500 MG	EXTENDED RELEASE CAPSULE
NITROGLYCERIN	9.000 MG	EXTENDED RELEASE CAPSULE
NITROGLYCERIN	150.000 MCG	SOLUBLE TABLET
NITROGLYCERIN	300.000 MCG	SOLUBLE TABLET
NITROGLYCERIN	400.000 MCG	SOLUBLE TABLET
NITROGLYCERIN	600.000 MCG	SOLUBLE TABLET
NORETHINDRONE	350.000 MCG	TABLET
NORGESTREL	75.000 MCG	TABLET
NYSTATIN	100000.000 U/1ML	SUSPENSION
NYSTATIN	500000.000 U	TABLET
OXACILLIN SODIUM	1.000 G	INJECTION
OXACILLIN SODIUM	2.000 G	INJECTION
OXACILLIN SODIUM	250.000 MG	CAPSULE
OXACILLIN SODIUM	250.000 MG/5ML	SOLUTION
OXACILLIN SODIUM	500.000 MG	CAPSULE
OXACILLIN SODIUM	500.000 MG	INJECTION

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
PARAMETHADIONE	150.000 MG	CAPSULE
PARAMETHADIONE	300.000 MG	CAPSULE
PARAMETHADIONE	300.000 MG/1ML	SOLUTION
PEMOLINE	37.500 MG	CHEWABLE TABLET
PEMOLINE	18.750 MG	TABLET
PEMOLINE	37.500 MG	TABLET
PEMOLINE	75.000 MG	TABLET
PENICILLIN G POTASSIUM	20000000.000 U	INJECTION
PENICILLIN G POTASSIUM	5000000.000 U	INJECTION
PENICILLIN G POTASSIUM	1000000.000 U	INJECTION
PENICILLIN G PROCAINE	300000.000 U/1ML	INJECTION
PENICILLIN G PROCAINE	500000.000 U/1ML	INJECTION
PENICILLIN G PROCAINE	600000.000 U/1ML	INJECTION
PENICILLIN V POTASSIUM	125.000 MG/5ML	SOLUTION
PENICILLIN V POTASSIUM	250.000 MG	TABLET
PENICILLIN V POTASSIUM	250.000 MG/5ML	SOLUTION
PENICILLIN V POTASSIUM	500.000 MG	TABLET
PENTAERYTHRITOL TETRANITRATE	10.000 MG	TABLET
PENTAERYTHRITOL TETRANITRATE	40.000 MG	TABLET
PHENACEMIDE	500.000 MG	TABLET
PHENAZOPYRIDINE HCL	100.000 MG	TABLET
PHENAZOPYRIDINE HCL	200.000 MG	TABLET
PHENOBARBITAL	15.000 MG	TABLET
PHENOBARBITAL	30.000 MG	TABLET
PHENOBARBITAL	60.000 MG	TABLET
PHENOBARBITAL	100.000 MG	TABLET
PHENOBARBITAL ELIXIR	20.000 MG/5ML	SOLUTION
PHENOBARBITAL SODIUM	125.000 MG/1ML	INJECTION
PHENSUXIMIDE	500.000 MG	CAPSULE
PHENYTOIN	30.000 MG/5ML	SUSPENSION
PHENYTOIN	50.000 MG	CHEWABLE TABLET
PHENYTOIN	125.000 MG/5ML	SUSPENSION
PHENYTOIN SODIUM	30.000 MG	EXTENDED RELEASE CAPSULE
PHENYTOIN SODIUM	50.000 MG/1ML	INJECTION
PHENYTOIN SODIUM	100.000 MG	CAPSULE
PHENYTOIN SODIUM	100.000 MG	EXTENDED RELEASE CAPSULE
PHYSOSTIGMINE SULFATE	.250 %	OINTMENT
PHYTONADIONE	5.000 MG	TABLET
PHYTONADIONE	10.000 MG/1ML	INJECTION
PILOCARPINE HCL	.250 %	SOLUTION
PILOCARPINE HCL	.500 %	VISCOUS SOLUTION
PILOCARPINE HCL	.500 %	SOLUTION

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

NAME	STRENGTH/UNIT	DOSAGE FORM	DOSAGE FORM
	100.000 MG	TABLET	SCOUS SOLUTION
	250.000 MG	TABLET	UTION
	2.500 MG	TABLET	UTION
	10.000 MG	TABLET	UTION
	4.000 MG/1ML	INJECTION	COUS SOLUTION
	8.000 MG/1ML	INJECTION	UTION
	10.000 MG/1ML	INJECTION	COUS SOLUTION
	10.000 MG/5ML	SOLUTION	UTION
	15.000 MG/1ML	INJECTION	COUS SOLUTION
	20.000 MG/5ML	SUSPENSION	UTION
			UTION
	40.000 MG	TABLET	UTION
	80.000 MG	TABLET	UTION
	120.000 MG	TABLET	COUS SOLUTION
	160.000 MG	TABLET	
	10.000 MG/1ML	INJECTION	
	5.000 %	SUSPENSION	
	10.000 MG	CAPSULE	COUS SOLUTION
	50.000 MG	CAPSULE	COUS SOLUTION
	50.000 MG	TABLET	COUS SOLUTION
	100.000 MG	CAPSULE	VIS COUS SOLUTION
	100.000 MG	TABLET	VIS COUS SOLUTION
	2.500 MG	EXTENDED RELEASE CAPSULE	LET
	6.000 MG	EXTENDED RELEASE CAPSULE	LET
	6.500 MG	EXTENDED RELEASE CAPSULE	ITION
	9.000 MG	EXTENDED RELEASE CAPSULE	CTION
	150.000 MCG	SOLUBLE TABLET	CTION
	300.000 MCG	SOLUBLE TABLET	ULE
	400.000 MCG	SOLUBLE TABLET	ULE
	600.000 MCG	SOLUBLE TABLET	ULE
	350.000 MCG	TABLET	ULE
	75.000 MCG	TABLET	
	100000.000 U/1ML	SUSPENSION	
	500000.000 U	TABLET	ULE
		INJECTION	
	1.000 G	INJECTION	
	2.000 G	CAPSULE	ULE
	250.000 MG	SOLUTION	
	250.000 MG/5ML	CAPSULE	
	500.000 MG	INJECTION	
	500.000 MG		

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
PREDNISONE	5.000 MG	TABLET
PREDNISONE	10.000 MG	TABLET
PREDNISONE	20.000 MG	TABLET
PREDNISONE	50.000 MG	TABLET
PRIMIDONE	50.000 MG	TABLET
PRIMIDONE	250.000 MG	TABLET
PRIMIDONE	250.000 MG/5ML	SUSPENSION
PROBENECID	500.000 MG	TABLET
PROCAINAMIDE HCL	250.000 MG	CAPSULE
PROCAINAMIDE HCL	375.000 MG	CAPSULE
PROCAINAMIDE HCL	500.000 MG	CAPSULE
PROCHLORPERAZINE	2.500 MG	SUPPOSITORY
PROCHLORPERAZINE	5.000 MG	SUPPOSITORY
PROCHLORPERAZINE	25.000 MG	SUPPOSITORY
PROCHLORPERAZINE EDISYLATE	5.000 MG/1ML	INJECTION
PROCHLORPERAZINE EDISYLATE	5.000 MG/5ML	SOLUTION
PROCHLORPERAZINE EDISYLATE	10.000 MG/1ML	SOLUTION
PROCHLORPERAZINE MALEATE	5.000 MG	TABLET
PROCHLORPERAZINE MALEATE	10.000 MG	TABLET
PROCHLORPERAZINE MALEATE	25.000 MG	TABLET
PROMETHAZINE HCL	12.500 MG	SUPPOSITORY
PROMETHAZINE HCL	25.000 MG	SUPPOSITORY
PROMETHAZINE HCL	50.000 MG	SUPPOSITORY
PROPRANOLOL HCL	10.000 MG	TABLET
PROPRANOLOL HCL	20.000 MG	TABLET
PROPRANOLOL HCL	40.000 MG	TABLET
PROPRANOLOL HCL	80.000 MG	TABLET
PROPYLTHIOURACIL	50.000 MG	TABLET
PYRANTEL PAMOATE	250.000 MG/5ML	SUSPENSION
PYRAZINAMIDE	500.000 MG	TABLET
PYRVINIUM PAMOATE	10.000 MG/1ML	SUSPENSION
QUINIDINE GLUCONATE	324.000 MG	EXTENDED RELEASE TABLET
QUINIDINE SULFATE	100.000 MG	TABLET
QUINIDINE SULFATE	200.000 MG	TABLET
QUINIDINE SULFATE	300.000 MG	TABLET
RANITIDINE	150.000 MG	TABLET
RESERPINE	250.000 MCG	TABLET

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
RIFAMPIN	300.000 MG	CAPSULE
SILVER SULFADIAZINE	1.000 %	CREAM
SODIUM CHLORIDE	2.500 MEQ/1ML	INJECTION
SODIUM CHLORIDE	4.000 MEQ/1ML	INJECTION
SULFACETAMIDE SODIUM	10.000 %	OINTMENT
SULFACETAMIDE SODIUM	10.000 %	SOLUTION
SULFACETAMIDE SODIUM	15.000 %	SOLUTION
SULFACETAMIDE SODIUM	30.000 %	SOLUTION
SULFAMETHOXAZOLE COMBINATION		TABLET
SULFAMETHOXAZOLE	400.000 MG	
TRIMETHOPRIM	80.000 MG	
SULFAMETHOXAZOLE COMBINATION		SUSPENSION
SULFAMETHOXAZOLE	200.000 MG	
TRIMETHOPRIM	40.000 MG	
SULFAMETHOXAZOLE COMBINATION		TABLET
SULFAMETHOXAZOLE	800.000 MG	
TRIMETHOPRIM	160.000 MG	
SULFINPYRAZONE	100.000 MG	TABLET
SULFINPYRAZONE	200.000 MG	CAPSULE
SULFISOXAZOLE	500.000 MG	TABLET
TERBUTALINE SULFATE		INHALANT
TERBUTALINE SULFATE	2.500 MG	TABLET
TERBUTALINE SULFATE	5.000 MG	TABLET
TETRACYCLINE HCL	500.000 MG	CAPSULE
TETRACYCLINE HCL	250.000 MG	CAPSULE
THEOPHYLLINE	100.000 MG	CAPSULE
THEOPHYLLINE	200.000 MG	CAPSULE
THEOPHYLLINE	100.000 MG	TABLET
THEOPHYLLINE	200.000 MG	TABLET
THEOPHYLLINE	300.000 MG	TABLET
THEOPHYLLINE (20% ALCOHOL)	80.000 MG/15ML	SOLUTION
THEOPHYLLINE (ALCOHOL AND DYE FREE)	80.000 MG/15ML	SOLUTION
THEOPHYLLINE (8-12 H)	100.000 MG	EXTENDED RELEASE TABLET
THEOPHYLLINE (8-12 H)	200.000 MG	EXTENDED RELEASE TABLET
THEOPHYLLINE (8-12 H)	250.000 MG	EXTENDED RELEASE TABLET
THEOPHYLLINE (8-12 H)	300.000 MG	EXTENDED RELEASE TABLET
THEOPHYLLINE (8-12 H)	500.000 MG	EXTENDED RELEASE TABLET
THEOPHYLLINE (12 H)	100.000 MG	EXTENDED RELEASE TABLET
THEOPHYLLINE (12 H)	200.000 MG	EXTENDED RELEASE TABLET
THEOPHYLLINE (12 H)	250.000 MG	EXTENDED RELEASE TABLET
THEOPHYLLINE (12 H)	300.000 MG	EXTENDED RELEASE TABLET

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
THEOPHYLLINE (12-24 H)	100.000 MG	EXTENDED RELEASE TABLET
THEOPHYLLINE (12-24 H)	200.000 MG	EXTENDED RELEASE TABLET
THEOPHYLLINE (12-24 H)	300.000 MG	EXTENDED RELEASE TABLET
THEOPHYLLINE (12-24 H)	400.000 MG	EXTENDED RELEASE TABLET
THEOPHYLLINE (8-12 H)	50.000 MG	EXTENDED RELEASE CAPSULE
THEOPHYLLINE (8-12 H)	125.000 MG	EXTENDED RELEASE CAPSULE
THEOPHYLLINE (8-12 H)	200.000 MG	EXTENDED RELEASE CAPSULE
THEOPHYLLINE (8-12 H)	250.000 MG	EXTENDED RELEASE CAPSULE
THEOPHYLLINE (12 H)	125.000 MG	EXTENDED RELEASE CAPSULE
THEOPHYLLINE (12 H)	250.000 MG	EXTENDED RELEASE CAPSULE
THEOPHYLLINE (12 H)	300.000 MG	EXTENDED RELEASE CAPSULE
THEOPHYLLINE (24 H)	100.000 MG	EXTENDED RELEASE CAPSULE
THEOPHYLLINE (24 H)	200.000 MG	EXTENDED RELEASE CAPSULE
THEOPHYLLINE (24 H)	300.000 MG	EXTENDED RELEASE CAPSULE
THIABENDAZOLE	500.000 MG	CHEWABLE TABLET
THIABENDAZOLE	500.000 MG/5ML	SUSPENSION
THIORIDAZINE HCL	10.000 MG	TABLET
THIORIDAZINE HCL	15.000 MG	TABLET
THIORIDAZINE HCL	25.000 MG	TABLET
THIORIDAZINE HCL	50.000 MG	TABLET
THIORIDAZINE HCL	100.000 MG	TABLET
THIORIDAZINE HCL	150.000 MG	TABLET
THIORIDAZINE HCL	200.000 MG	TABLET
THIORIDAZINE HCL BASE	25.000 MG/5ML	SUSPENSION
THIORIDAZINE HCL BASE	100.000 MG/5ML	SUSPENSION
THIOTHIXENE	1.000 MG	CAPSULE
THIOTHIXENE	2.000 MG	CAPSULE
THIOTHIXENE	5.000 MG	CAPSULE
THIOTHIXENE	10.000 MG	CAPSULE
THIOTHIXENE	20.000 MG	CAPSULE
THIOTHIXENE HCL	2.000 MG/1ML	INJECTION
THIOTHIXENE HCL	5.000 MG/1ML	INJECTION
THIOTHIXENE HCL	5.000 MG/1ML	SOLUTION
THYROGLOBULIN	100.000 MG	TABLET
THYROGLOBULIN	200.000 MG	TABLET
THYROID	15.000 MG	TABLET
THYROID	30.000 MG	TABLET
THYROID	60.000 MG	TABLET
THYROID	60.000 MG	ENTERIC COATED TABLET
THYROID	100.000 MG	TABLET
THYROID	125.000 MG	ENTERIC COATED TABLET
THYROID	200.000 MG	TABLET
THYROID	250.000 MG	TABLET
TIMOLOL MALEATE	.250 %	SOLUTION
TIMOLOL MALEATE	.500 %	SOLUTION

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
TIMOLOL MALEATE	10.000 MG	TABLET
TIMOLOL MALEATE	20.000 MG	TABLET
TOCAINIDE HYDROCHLORIDE	400.000 MG	TABLET
TOCAINIDE HYDROCHLORIDE	600.000 MG	TABLET
TOLAZAMIDE	100.000 MG	TABLET
TOLAZAMIDE	250.000 MG	TABLET
TOLAZAMIDE	500.000 MG	TABLET
TOLBUTAMIDE	250.000 MG	TABLET
TOLBUTAMIDE	500.000 MG	TABLET
TRANYLCYPROMINE SULFATE	10.000 MG	TABLET
TRIAMCINOLONE ACETONIDE	3.000 MG/1G	INHALANT
TRIAMCINOLONE ACETONIDE	40.000 MG/1ML	INJECTION
TRIFLURIDINE	1.000 %	SOLUTION
TRIHEXYPHENIDYL HCL	2.000 MG	TABLET
TRIHEXYPHENIDYL HCL	2.000 MG/5ML	SOLUTION
TRIHEXYPHENIDYL HCL	5.000 MG	TABLET
TRIMETHADIONE	150.000 MG	CHEWABLE TABLET
TRIMETHADIONE	200.000 MG/5ML	SOLUTION
TRIMETHADIONE	300.000 MG	CAPSULE
VALPROIC ACID	250.000 MG	CAPSULE
VALPROIC ACID SODIUM	250.000 MG/5ML	SOLUTION
VERAPAMIL HCL	80.000 MG	TABLET
VERAPAMIL HCL	120.000 MG	TABLET
VIDARABINE MONOHYDRATE	3.000 %	OINTMENT
VITAMIN A	25000.000 U	CAPSULE
VITAMIN A	50000.000 U	CAPSULE
VITAMIN A SOLUBILIZED	50000.000 U/1ML	INJECTION
WARFARIN SODIUM	2.000 MG	TABLET
WARFARIN SODIUM	2.500 MG	TABLET
WARFARIN SODIUM	5.000 MG	TABLET
WARFARIN SODIUM	7.500 MG	TABLET
WARFARIN SODIUM	10.000 MG	TABLET
ZINC CHLORIDE	1.000 MG/1ML	INJECTION
ZINC SULFATE	1.000 MG/1ML	INJECTION

END OF REPORT

Regulatory Exception

Upon final state approval of this proposal, implementation shall be dependent on the approval of the Health Care Financing Administration (HCFA). Disapproval of this proposal by HCFA will automatically cancel the provisions of this rule and current policy will remain in effect.

Sandra L. Robinson, M.D., M.P.H.
Secretary and State Health Officer

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Pharmacy Program Elimination of Drugs

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

This proposed rule is one of a series of four proposed rules which are designed to create a restricted formulary for the Medicaid prescription drug program. The total amount of potential savings if all four rules are implemented is $37,362,475 in state and federal funds.

The Executive Budget for 1985-86 allocates a total of $50,403,128 for Medicaid prescription drugs, a reduction of $28,461,187 from the amount requested by the agency. According to the Executive Budget, this reduced level of spending is to be achieved in part by conversion to a restricted formulary.

Implementation of this rule, which is dependent upon implementation of the rule establishing a comprehensive list of drugs to be known as a restricted formulary, would remove certain drugs from the formulary. The additional savings to the Medicaid program achieved by this rule would be as follows:

	FY 1985-86	FY 1986-87	FY 1987-88
State	($7,995,067)	($8,351,794)	($8,685,866)
Federal	(14,194,961)	(14,725,835)	(15,314,868)
Total	($22,190,028)	($23,077,629)	($24,000,734)

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

Implementation of this proposed rule will result in a reduction of $14,194,961 in federal funds in FY 85-86; $14,725,835 in FY 86-87; and $15,314,868 in FY 87-88.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

Recipients of the Pharmacy Program will be required to pay for those drugs removed from the restricted formulary. Costs to recipients will be $22,190,028 in FY 85-86; $23,077,629 in FY 86-87; and $24,000,734 in FY 87-88.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

There is no effect on competition and employment.

Marjorie T. Stewart
Assistant Secretary

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Department of Health and Human Resources
Office of Family Security

The Department of Health and Human Resources, Office of Family Security, proposes to add 14 drugs to the Louisiana Maximum Allowable Cost Regulations of the Pharmacy Program, effective July 1, 1985.

Summary

The Louisiana Maximum Allowable Cost Regulation (LMAC) now cover 394 multi-source drugs. The Medical Assistance Program proposes to increase coverage to include 14 additional multi-source drugs to contain state expenditures through effective administration while providing quality care to recipients.

This proposed rule amends the Louisiana Maximum Allowable Costs (LMAC) rule published in the *Louisiana Register* Volume 9, Number 8, August 20, 1983, pages 552-561.

Comments

Interested persons may submit written comments through May 3, 1985, to the following address: Marjorie T. Stewart, Assistant Secretary, Box 44065, Baton Rouge, LA 70804. She is the person responsible for responding to inquiries regarding this proposed rule. A copy of the proposed rule and its fiscal and economic impact statement is availabale for review in each local Office of Family Security.

Notice of Public Hearing

A public hearing on this proposed rule will be held on May 3, 1985, in the Louisiana State Library Auditorium, 760 Riverside, Baton Rouge, LA beginning at 9:30 a.m. All interested persons will be afforded an opportunity to submit data, views, or arguments, orally or in writing, at said hearing.

Proposed Rule

Lousiana Maximum Allowable Costs (LMAC's) for reimbursement under Title XIX are amended to include the following multiple-source drugs:

1	Albuterol	17mg	Inhalent
2	Chlorpropamide	100mg	Tablet
3	Chlorpropamide	250mg	Tablet
4	Doxycline	100mg	Tablet
5	Ergoloid mesylates	1mg	Tablet
6	Ibuprofen	600mg	Tablet
7	Indomethacin	25mg	Capsule
8	Indomethacin	50mg	Capsule
9	Methyldopa	250mg	Tablet
10	Methyldopa	500mg	Tablet
11	Quinidine gluconate	324mg SR	Tablet
12	Tolazamide	100mg	Tablet
13	Tolazamide	250mg	Tablet
14	Tolazamide	500mg	Tablet

Regulatory Exception

Upon final state approval of this proposal, implementation shall be dependent on the approval of the Health Care Financing Administration (HCFA). Disapproval of this proposal by HCFA will automatically cancel the provisions of this rule and current policy will remain in effect.

Sandra L. Robinson, M.D., M.P.H.
Secretary and State Health Officer

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Pharmacy Program LMAC Addition

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

The Executive Budget for 1985-86 allocates a total of $50,403,128 for Medicaid prescription drugs, a reduction of $28,461,187 from the amount requested by the agency. This proposed rule would extend LMAC (Louisiana Maximum Allowable Cost) coverage to 14 additional multi-source drugs. Implementation of this rule would result in the following savings to the Medicaid program:

	FY 1985-86	FY 1986-87	FY 1987-88
State	($ 648,540)	($ 677,477)	($ 704,576)
Federal	($1,151,460)	($1,194,523)	($1,242,304)
Total	($1,800,000)	($1,872,000)	($1,946,880)

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

The revenue impact of the proposed rule will result in a reduction of $1,151,460 in federal funds in FY 85-86; $1,194,523 in FY 86-87; and $1,242,304 in FY 87-88.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

The revenue impact of the proposed rule cannot be predicted for individual providers. This proposed rule will reduce program reimbursement to providers statewide by $1,800,000 in FY 85-86; $1,872,000 in FY 86-87; and $1,946,880 in FY 87-88.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

There is no effect on competition and employment.

Marjorie T. Stewart
Assistant Secretary

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Department of Health and Human Resources
Office of Family Security

The Department of Health and Human Resources, Office of Family Security, proposes to implement a restricted formulary which will limit coverage of reimbursable drugs to those listed within the formulary by generic nomenclature, strength/unit and dosage form for Pharmacy Program services effective July 1, 1985.

Summary

The proposed restricted formulary displays drugs by generic nomenclature strength/unit and dosage form. The strength/unit of a drug was determined by the availability and frequency of use in the Medical Assistance Program (MAP) of that drug in a particular strength/unit. The dosage form of a drug as listed, is an identification of the dosage of a drug in a particular strength/unit.

The restricted formulary will replace the methodology currently used in the MAP's Pharmacy Program by determining coverage of drugs by: generic nomenclature; by strength/unit; and by dosages. Drugs that the U.S. Food and Drug Administration has proposed in a Notice of Opportunity for Hearing to withdraw from the market because they are "less than effective" as well as drugs determined to be identical, related, or similar are excluded from the proposed formulary and are not reimbursable.

The proposed formulary was developed with the cooperation of the Louisiana State University Medical Center in studying the availability and usage of drugs in the Louisiana Medical Assistance Pharmacy Program. The restricted formulary is proposed to reduce program expenditures to targeted appropriation levels through effective administration while providing drugs which are essential to patient care; life-sustaining; and most frequently used and available in the treatment of MAP recipients.

Comments

Interested persons may submit written comments through May 3, 1985, to the following address: Marjorie T. Stewart, Assistant Secretary, Box 44065, Baton Rouge, LA 70804. She is the person responsible for responding to inquiries regarding this proposed rule. A copy of the proposed rule and its fiscal and economic impact statement is available for review in each local Office of Family Security.

Notice of Public Hearing

A public hearing on this proposed rule will be held on May 3, 1985, in the Louisiana State Library Auditorium, 760 Riverside, Baton Rouge, LA beginning at 9:30 a.m. All interested persons will be afforded an oppportunity to submit data, views or arguments, orally or in writing, at said hearing.

Proposed Rule

Coverage of reimbursable drugs is limited to those listed by generic name, strength/unit and dosage form. This limited list of therapeutic drugs shall be known as a restricted formulary, displayed by drug name, strength/unit, and dosage form.

Drugs that the U.S. Food and Drug Administration has proposed, in a Notice of Opportunity for Hearing, to withdraw from the market because they are "less than effective," including those determined to be identical, related or similar shall be excluded from all categories of the restricted formulary and shall not be reimbursable. These drugs are also known as "DESI drugs."

The State of Louisiana, Medical Assistance Program, restricted formulary shall be as follows:

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
ACETAZOLAMIDE	125.000 MG	TABLET
ACETAZOLAMIDE	250.000 MG	TABLET
ACETOHEXAMIDE	250.000 MG	TABLET
ACETOHEXAMIDE	500.000 MG	TABLET
ACYCLOVIR	5.000 %	OINTMENT
ALBUTEROL	2.000 MG	TABLET
ALBUTEROL	4.000 MG	TABLET
ALBUTEROL	90.000 MCG	AEROSOL
ALBUTEROL	90.000 MCG	INHALANT
ALLOPURINOL	100.000 MG	TABLET
ALLOPURINOL	300.000 MG	TABLET
AMANTADINE HCL	50.000 MG/5ML	SOLUTION
AMANTADINE HCL	100.000 MG	CAPSULE
AMITRIPTYLINE HCL	10.000 MG	TABLET
AMITRIPTYLINE HCL	25.000 MG	TABLET
AMITRIPTYLINE HCL	50.000 MG	TABLET
AMITRIPTYLINE HCL	75.000 MG	TABLET
AMITRIPTYLINE HCL	100.000 MG	TABLET
AMITRIPTYLINE HCL	150.000 MG	TABLET
AMOXAPINE	25.000 MG	TABLET
AMOXAPINE	50.000 MG	TABLET
AMOXAPINE	100.000 MG	TABLET
AMOXAPINE	150.000 MG	TABLET
AMOXICILLIN TRIHYDRATE	250.000 MG	CAPSULE
AMOXICILLIN TRIHYDRATE	125.000 MG/5ML	SUSPENSION
AMOXICILLIN TRIHYDRATE	250.000 MG/5ML	SUSPENSION
AMOXICILLIN TRIHYDRATE	500.000 MG	CAPSULE
AMPICILLIN SODIUM	1.000 G	INJECTION
AMPICILLIN SODIUM	2.000 G	INJECTION
AMPICILLIN SODIUM	250.000 MG	INJECTION
AMPICILLIN SODIUM	500.000 MG	INJECTION
AMPICILLIN TRIHYDRATE	125.000 MG/5ML	SUSPENSION
AMPICILLIN TRIHYDRATE	250.000 MG	CAPSULE
AMPICILLIN TRIHYDRATE	250.000 MG/5ML	SUSPENSION
AMPICILLIN TRIHYDRATE	500.000 MG	CAPSULE
ANTIHEMOPHILIC FACTOR	U	INJECTION
ATENOLOL COMBINATION		TABLET
ATENOLOL	50.000 MG	
CHLORTHALIDONE	25.000 MG	
ATENOLOL COMBINATION		TABLET
ATENOLOL	100.000 MG	
CHLORTHALIDONE	25.000 MG	
ATENOLOL	100.000 MG	TABLET
ATENOLOL	50.000 MG	TABLET
AZATHIOPRINE	25.000 MG	TABLET
BECLOMETHASONE DIPROPIONATE	16.800 G	NASAL SPRAY

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
BECLOMETHASONE DIPROPIONATE	16.800 G	AEROSOL
BROMOCRIPTINE MESYLATE	2.500 MG	TABLET
BUTORPHANOL TARTRATE	2.000 MG/1ML	INJECTION
CALCITRIOL	.250 MCG	CAPSULE
CALCITRIOL	.500 MCG	CAPSULE
CALCIUM CHLORIDE	100.000 MG/1ML	INJECTION
CALCIUM GLUCONATE	500.000 MG	TABLET
CALCIUM LACTATE	300.000 MG	TABLET
CALCIUM LACTATE	600.000 MG	TABLET
CAPTOPRIL	25.000 MG	TABLET
CAPTOPRIL	50.000 MG	TABLET
CAPTOPRIL	100.000 MG	TABLET
CARBACHOL	.750 %	SOLUTION
CARBACHOL	1.500 %	SOLUTION
CARBACHOL	2.250 %	SOLUTION
CARBACHOL	3.000 %	SOLUTION
CARBAMAZEPINE	200.000 MG	TABLET
CARBENICILLIN INDANYL SODIUM	382.000 MG	TABLET
CARISOPRODOL	350.000 MG	TABLET
CATHETERS		
CEFACLOR	250.000 MG	CAPSULE
CEFACLOR	500.000 MG	CAPSULE
CEFACLOR	125.000 MG/5ML	SUSPENSION
CEFACLOR	250.000 MG/5ML	SUSPENSION
CEFAZOLIN SODIUM	1.000 G	INJECTION
CEPHALEXIN MONOHYDRATE	250.000 MG	CAPSULE
CEPHALEXIN MONOHYDRATE	250.000 MG/5ML	SUSPENSION
CEPHALEXIN MONOHYDRATE	500.000 MG	CAPSULE
CEPHRADINE	250.000 MG	CAPSULE
CEPHRADINE	250.000 MG/5ML	SUSPENSION
CEPHRADINE	500.000 MG	CAPSULE
CHLORAL HYDRATE	250.000 MG	CAPSULE
CHLORAL HYDRATE	500.000 MG	CAPSULE
CHLORAL HYDRATE	500.000 MG/5ML	SOLUTION
CHLORAMBUCIL	2.000 MG	TABLET
CHLOROTHIAZIDE	250.000 MG/5ML	SUSPENSION
CHLOROTRIANISENE	12.000 MG	CAPSULE
CHLOROTRIANISENE	25.000 MG	CAPSULE
CHLOROTRIANISENE	72.000 MG	CAPSULE
CHLORPHENIRAMINE MALEATE	10.000 MG/1ML	INJECTION
CHLORPROMAZINE	25.000 MG	SUPPOSITORY
CHLORPROMAZINE	100.000 MG	SUPPOSITORY
CHLORPROMAZINE HCL	10.000 MG	TABLET
CHLORPROMAZINE HCL	10.000 MG/5ML	SOLUTION
CHLORPROMAZINE HCL	25.000 MG	TABLET
CHLORPROMAZINE HCL	25.000 MG/1ML	INJECTION
CHLORPROMAZINE HCL	30.000 MG/1ML	SOLUTION
CHLORPROMAZINE HCL	50.000 MG	TABLET

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
CHLORPROMAZINE HCL	100.000 MG	TABLET
CHLORPROMAZINE HCL	100.000 MG/1ML	SOLUTION
CHLORPROMAZINE HCL	200.000 MG	TABLET
CHLORPROPAMIDE	100.000 MG	TABLET
CHLORPROPAMIDE	250.000 MG	TABLET
CHLORTHALIDONE	25.000 MG	TABLET
CHLORTHALIDONE	50.000 MG	TABLET
CHLORTHALIDONE	100.000 MG	TABLET
CHLORTHALIDONE COMBINATION		TABLET
CHLORTHALIDONE	15.000 MG	
CLONIDINE HCL	100.000 MCG	
CHROMIUM	4.000 MCG/1ML	INJECTION
CIMETIDINE	200.000 MG	TABLET
CIMETIDINE	300.000 MG	TABLET
CIMETIDINE	400.000 MG	TABLET
CIMETIDINE HCL	300.000 MG/5ML	SOLUTION
CLONAZEPAM	1.000 MG	TABLET
CLONAZEPAM	2.000 MG	TABLET
CLONAZEPAM	500.000 MCG	TABLET
CLONIDINE HCL	100.000 MCG	TABLET
CLONIDINE HCL	200.000 MCG	TABLET
CLONIDINE HCL	300.000 MCG	TABLET
CLOTRIMAZOLE	1.000 %	VAGINAL CREAM
CLOTRIMAZOLE	1.000 %	CREAM
CLOTRIMAZOLE	1.000 %	SOLUTION
CLOTRIMAZOLE	100.000 MG	SUPPOSITORY
CLOXACILLIN SODIUM	125.000 MG/5ML	SOLUTION
CLOXACILLIN SODIUM	250.000 MG	CAPSULE
CODEINE PHOSPHATE COMBINATION		TABLET
CODEINE PHOSPHATE	15.000 MG	
ACETAMINOPHEN	300.000 MG	
CODEINE PHOSPHATE COMBINATION		SOLUTION
CODEINE PHOSPHATE	12.000 MG	
ACETAMINOPHEN	125.000 MG	
ALCOHOL	7.000 %	
CODEINE PHOSPHATE COMBINATION		TABLET
CODEINE PHOSPHATE	15.000 MG	
ASPIRIN	300.000 MG	
CODEINE PHOSPHATE COMBINATION		TABLET
CODEINE PHOSPHATE	30.000 MG	
ACETAMINOPHEN	300.000 MG	
CODEINE PHOSPHATE COMBINATION		TABLET
CODEINE PHOSPHATE	30.000 MG	
ASPIRIN	300.000 MG	
CODEINE PHOSPHATE COMBINATION		TABLET
CODEINE PHOSPHATE	60.000 MG	
ACETAMINOPHEN	300.000 MG	
CODEINE PHOSPHATE COMBINATION		TABLET
CODEINE PHOSPHATE	60.000 MG	
ASPIRIN	300.000 MG	

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
COLCHICINE	500.000 MCG	TABLET
COLCHICINE	600.000 MCG	TABLET
CONTRACEPTIVE, DEVICES		
CONTRACEPTIVE, ORAL		TABLET
NORETHYNODREL	2.500 MG	
MESTRANOL	100.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	2.000 MG	
MESTRANOL	100.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
ETHYNODIOL DIACETATE	1.000 MG	
MESTRANOL	100.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
ETHYNODIOL DIACETATE	1.000 MG	
MESTRANOL	100.000 MCG	
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	1.000 MG	
MESTRANOL	80.000 MCG	
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	1.000 MG	
MESTRANOL	80.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	1.000 MG	
MESTRANOL	50.000 MCG	
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	1.000 MG	
ETHINYL ESTRADIOL	50.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	1.000 MG	
ETHINYL ESTRADIOL	50.000 MCG	
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE ACETATE	1.000 MG	
ETHINYL ESTRADIOL	50.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE ACETATE	1.000 MG	
ETHINYL ESTRADIOL	50.000 MCG	
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE ACETATE	2.500 MG	
ETHINYL ESTRADIOL	50.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE ACETATE	2.500 MG	
ETHINYL ESTRADIOL	50.000 MCG	
PLACEBO		

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	1.000 MG	
ETHINYL ESTRADIOL	35.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	1.000 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	0.500 MG	
ETHINYL ESTRADIOL	35.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	0.500 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	0.400 MG	
ETHINYL ESTRADIOL	35.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	0.400 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	0.500 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLUS		
NORETHINDRONE	1.000 MG	
ETHINYL ESTRADIOL	30.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	0.500 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLUS		
NORETHINDRONE	1.000 MG	
ETHINYL ESTRADIOL	30.000 MCG	
PLUS		
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	0.500 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLUS		
NORETHINDRONE	1.000 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLUS		
NORETHINDRONE	0.500 MG	
ETHINYL ESTRADIOL	35.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	0.500 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLUS		
NORETHINDRONE	1.000 MG	

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
ETHINYL ESTRADIOL	35.000 MCG	
PLUS		
NORETHINDRONE	0.500 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLUS		
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	0.500 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLUS		
NORETHINDRONE	0.750 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLUS		
NORETHINDRONE	1.000 MG	
ETHINYL ESTRADIOL	35.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	0.500 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLUS		
NORETHINDRONE	0.750 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLUS		
NORETHINDRONE	1.000 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLUS		
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
LEVONORGESTREL	50.000 MCG	
ETHINYL ESTRADIOL	30.000 MCG	
PLUS		
LEVONORGESTREL	75.000 MCG	
ETHINYL ESTRADIOL	40.000 MCG	
PLUS		
LEVONORGESTREL	125.000 MCG	
ETHINYL ESTRADIOL	30.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
LEVONORGESTREL	50.000 MCG	
ETHINYL ESTRADIOL	30.000 MCG	
PLUS		
LEVONORGESTREL	75.000 MCG	
ETHINYL ESTRADIOL	40.000 MCG	
PLUS		
LEVONORGESTREL	125.000 MCG	
ETHINYL ESTRADIOL	30.000 MCG	
PLUS		
PLACEBO		

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE ACETATE	1.500 MG	
ETHINYL ESTRADIOL	30.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE ACETATE	1.500 MG	
ETHINYL ESTRADIOL	30.000 MCG	
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE ACETATE	1.000 MG	
ETHINYL ESTRADIOL	20.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE ACETATE	1.000 MG	
ETHINYL ESTRADIOL	20.000 MCG	
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
NORGESTREL	0.300 MG	
ETHINYL ESTRADIOL	30.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORGESTREL	0.300 MG	
ETHINYL ESTRADIOL	30.000 MCG	
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
LEVONORGESTREL	0.150 MG	
ETHINYL ESTRADIOL	30.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
LEVONORGESTREL	0.150 MG	
ETHINYL ESTRADIOL	30.000 MCG	
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
ETHYNODIOL DIACETATE	1.000 MG	
ETHINYL ESTRADIOL	35.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
ETHYNODIOL DIACETATE	1.000 MG	
ETHINYL ESTRADIOL	35.000 MCG	
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
NORGESTREL	0.500 MG	
ETHINYL ESTRADIOL	50.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORGESTREL	0.500 MG	
ETHINYL ESTRADIOL	50.000 MCG	
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
ETHYNODIOL DIACETATE	1.000 MG	
ETHINYL ESTRADIOL	50.000 MCG	

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
CONTRACEPTIVE, ORAL		TABLET
ETHYNODIOL DIACETATE	1.000 MG	
ETHINYL ESTRADIOL	50.000 MCG	
PLACEBO		
CONTRACEPTIVE, ORAL		TABLET
NORETHINDRONE	1.000 MG	
MESTRANOL	50.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
NORETHYNODREL	5.000 MG	
MESTRANOL	75.000 MCG	
CONTRACEPTIVE, ORAL		TABLET
ETHINYL ESTRADIOL	50.000 MCG	
NORGESTREL	500.000 MCG	
PLACEBO		
COPPER CHLORIDE	400.000 MCG/1ML	INJECTION
COPPER SULFATE	2.000 MG/1ML	INJECTION
CORTISONE ACETATE	5.000 MG	TABLET
CORTISONE ACETATE	10.000 MG	TABLET
CORTISONE ACETATE	25.000 MG	TABLET
CORTISONE ACETATE	50.000 MG/1ML	INJECTION
CROMOLYN SODIUM	20.000 MG	CAPSULE
CYANOCOBALAMIN	1.000 MG/1ML	INJECTION
CYANOCOBALAMIN	100.000 MCG/1ML	INJECTION
CYCLOBENZAPRINE HCL	10.000 MG	TABLET
CYCLOPHOSPHAMIDE	50.000 MG	TABLET
CYCLOSERINE	250.000 MG	CAPSULE
CYCLOSPORINE	50.000 MG/1ML	INJECTION
CYCLOSPORINE	100.000 MG/1ML	SOLUTION
CYPROHEPTADINE HCL	2.000 MG/5ML	SOLUTION
CYPROHEPTADINE HCL	4.000 MG	TABLET
DANAZOL	50.000 MG	CAPSULE
DANAZOL	100.000 MG	CAPSULE
DANAZOL	200.000 MG	CAPSULE
DANTROLENE SODIUM	25.000 MG	CAPSULE
DANTROLENE SODIUM	50.000 MG	CAPSULE
DESMOPRESSIN ACETATE	.010 %	SOLUTION
DEXAMETHASONE	.500 MG/5ML	SOLUTION
DEXAMETHASONE	1.500 MG	TABLET
DEXAMETHASONE	4.000 MG	TABLET
DEXAMETHASONE	250.000 MCG	TABLET
DEXAMETHASONE	500.000 MCG	TABLET
DEXAMETHASONE	750.000 MCG	TABLET
DEXAMETHASONE SODIUM PHOSPHATE	4.000 MG/1ML	INJECTION
DIAGNOSTIC ITEMS		
DICHLORPHENAMIDE	50.000 MG	TABLET
DICLOXACILLIN SODIUM	62.500 MG/5ML	SUSPENSION

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
DICLOXACILLIN SODIUM	250.000 MG	CAPSULE
DICLOXACILLIN SODIUM	500.000 MG	CAPSULE
DICUMAROL	25.000 MG	TABLET
DICUMAROL	25.000 MG	CAPSULE
DICUMAROL	50.000 MG	TABLET
DICUMAROL	50.000 MG	CAPSULE
DICUMAROL	100.000 MG	TABLET
DICYCLOMINE HCL	10.000 MG	CAPSULE
DICYCLOMINE HCL	10.000 MG/5ML	SOLUTION
DICYCLOMINE HCL	20.000 MG	TABLET
DIGITOXIN	50.000 MCG	TABLET
DIGITOXIN	100.000 MCG	TABLET
DIGITOXIN	150.000 MCG	TABLET
DIGITOXIN	200.000 MCG	TABLET
DIGOXIN	50.000 MCG	CAPSULE
DIGOXIN	50.000 MCG/1ML	SOLUTION
DIGOXIN	100.000 MCG	CAPSULE
DIGOXIN	100.000 MCG/1ML	INJECTION
DIGOXIN	125.000 MCG	TABLET
DIGOXIN	200.000 MCG	CAPSULE
DIGOXIN	250.000 MCG	TABLET
DIGOXIN	250.000 MCG/1ML	INJECTION
DIGOXIN	500.000 MCG	TABLET
DIGOXIN	30.000 MG	TABLET
DILTIAZEM HCL	60.000 MG	TABLET
DILTIAZEM HCL	12.500 MG/5ML	SOLUTION
DIPHENHYDRAMINE HCL	25.000 MG	CAPSULE
DIPHENHYDRAMINE HCL	50.000 MG	CAPSULE
DIPHENHYDRAMINE HCL	50.000 MG/1ML	INJECTION
DIPHENOXYLATE HCL COMBINATION		TABLET
DIPHENOXYLATE HCL	2.500 MG	
ATROPINE SULFATE	25.000 MCG	
DIPIVEFRIN HCL	.100 %	SOLUTION
DISOPYRAMIDE PHOSPHATE	100.000 MG	CAPSULE
DISOPYRAMIDE PHOSPHATE	150.000 MG	CAPSULE
DISULFIRAM	250.000 MG	TABLET
DISULFIRAM	500.000 MG	TABLET
DOXEPIN HCL	10.000 MG	CAPSULE
DOXEPIN HCL	10.000 MG/1ML	SOLUTION
DOXEPIN HCL	25.000 MG	CAPSULE
DOXEPIN HCL	50.000 MG	CAPSULE
DOXEPIN HCL	75.000 MG	CAPSULE
DOXEPIN HCL	100.000 MG	CAPSULE
DOXEPIN HCL	150.000 MG	CAPSULE
ECHOTHIOPHATE IODIDE	.030 %	SOLUTION

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
ECHOTHIOPHATE IODIDE	.060 %	SOLUTION
ECHOTHIOPHATE IODIDE	.125 %	SOLUTION
ECHOTHIOPHATE IODIDE	.250 %	SOLUTION
EPHEDRINE SULFATE	20.000 MG/5ML	SOLUTION
EPHEDRINE SULFATE	25.000 MG	CAPSULE
EPHEDRINE SULFATE	50.000 MG	CAPSULE
EPINEPHRINE BITARTRATE COMBINATION		SOLUTION
EPINEPHRINE BITARTRATE	.500 %	
PILOCARPINE HCL	1.000 %	
EPINEPHRINE BITARTRATE COMBINATION		SOLUTION
EPINEPHRINE BITARTRATE	.500 %	
PILOCARPINE HCL	2.000 %	
EPINEPHRINE BITARTRATE COMBINATION		SOLUTION
EPINEPHRINE BITARTRATE	.500 %	
PILOCARPINE HCL	3.000 %	
EPINEPHRINE BITARTRATE COMBINATION		SOLUTION
EPINEPHRINE BITARTRATE	.500 %	
PILOCARPINE HCL	4.000 %	
EPINEPHRINE BITARTRATE COMBINATION		SOLUTION
EPINEPHRINE BITARTRATE	.500 %	
PILOCARPINE HCL	6.000 %	
EPINEPHRINE HCL	.100 %	SOLUTION
EPINEPHRINE HCL	.100 %	SOLUTION
EPINEPHRINE HCL	.250 %	SOLUTION
EPINEPHRINE HCL	.500 %	SOLUTION
EPINEPHRINE HCL	.550 %	SOLUTION
EPINEPHRINE HCL	1.000 %	SOLUTION
EPINEPHRINE HCL	1.000 MG/1ML	INJECTION
EPINEPHRINE HCL	2.000 %	SOLUTION
EPINEPHRINE HCL	100.000 MCG/1ML	INJECTION
EPINEPHRYL BORATE	0.500 %	SOLUTION
EPINEPHRYL BORATE	.250 %	VISCOUS SOLUTION
EPINEPHRYL BORATE	1.000 %	VISCOUS SOLUTION
ERGOCALCIFEROL	8000.000 U/1ML	SOLUTION
ERGOCALCIFEROL	25000.000 U	CAPSULE
ERGOCALCIFEROL	50000.000 U	TABLET
ERGOCALCIFEROL	50000.000 U	CAPSULE
ERGOCALCIFEROL	500000.000 U/1ML	INJECTION
ERGOTAMINE TARTRATE	1.000 MG	TABLET
ERGOTAMINE TARTRATE	2.000 MG	SOLUBLE TABLET
ERYTHROMYCIN	250.000 MG	ENTERIC COATED TABLET
ERYTHROMYCIN ESTOLATE	250.000 MG/5ML	SUSPENSION
ERYTHROMYCIN ETHYLSUCCINATE	400.000 MG/5ML	SUSPENSION
ERYTHROMYCIN STEARATE	250.000 MG	TABLET
ERYTHROMYCIN STEARATE	500.000 MG	TABLET
ESTROGENS CONJUGATED	1.250 MG	TABLET

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
ESTROGENS CONJUGATED	2.500 MG	TABLET
ESTROGENS CONJUGATED	300.000 MCG	TABLET
ESTROGENS CONJUGATED	625.000 MCG	TABLET
ETHAMBUTOL HCL	100.000 MG	TABLET
ETHAMBUTOL HCL	400.000 MG	TABLET
ETHIONAMIDE	250.000 MG	TABLET
ETHOSUXIMIDE	250.000 MG	CAPSULE
ETHOSUXIMIDE	250.000 MG/5ML	SUSPENSION
ETHOTOIN	250.000 MG	TABLET
ETHOTOIN	500.000 MG	TABLET
FERROUS GLUCONATE	300.000 MG	TABLET
FERROUS SULFATE	125.000 MG/1ML	SOLUTION
FERROUS SULFATE	220.000 MG/5ML	SOLUTION
FERROUS SULFATE	300.000 MG	ENTERIC COATED TABLET
FERROUS SULFATE	300.000 MG	TABLET
FLUNISOLIDE	250.000 MCG/USE	AEROSOL
FLUOCINOLONE ACETONIDE	.010 %	CREAM
FLUOCINOLONE ACETONIDE	.010 %	SOLUTION
FLUOCINOLONE ACETONIDE	.025 %	CREAM
FLUOCINOLONE ACETONIDE	.025 %	OINTMENT
FLUOCINONIDE	.050 %	CREAM
FLUOCINONIDE	.050 %	OINTMENT
FLUOROURACIL	1.000 %	CREAM
FLUOROURACIL	5.000 %	CREAM
FLUOXYMESTERONE	50.000 MG/1ML	INJECTION
FLUOXYMESTERONE	5.000 MG	TABLET
FLUPHENAZINE HCL	10.000 MG	TABLET
FLUPHENAZINE HCL	1.000 MG	TABLET
FLUPHENAZINE HCL	2.500 MG	TABLET
FLUPHENAZINE HCL	2.500 MG/1ML	INJECTION
FLUPHENAZINE HCL	2.500 MG/5ML	SOLUTION
FLUPHENAZINE HCL	5.000 MG	TABLET
FLUPHENAZINE HCL	5.000 MG/1ML	SOLUTION
FOLIC ACID	10.000 MG	TABLET
FOLIC ACID	1.000 MG	TABLET
FUROSEMIDE	800.000 MCG	TABLET
FUROSEMIDE	10.000 MG/1ML	INJECTION
FUROSEMIDE	10.000 MG/1ML	SOLUTION
FUROSEMIDE	20.000 MG	TABLET
FUROSEMIDE	40.000 MG	TABLET

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
GENTAMICIN SULFATE	.300 %	SOLUTION
GENTAMICIN SULFATE	40.000 MG/1ML	INJECTION
GLIPIZIDE	5.000 MG	TABLET
GLIPIZIDE	10.000 MG	TABLET
GLYBURIDE	2.500 MG	TABLET
GLYBURIDE	5.000 MG	TABLET
GLYBURIDE	1.250 MG	TABLET
GRISEOFULVIN	250.000 MG	CAPSULE
GRISEOFULVIN	500.000 MG	TABLET
GUANABENZ ACETATE	4.000 MG	TABLET
GUANABENZ ACETATE	8.000 MG	TABLET
GUANETHIDINE MONOSULFATE COMBINATION		TABLET
GUANETHIDINE MONOSULFATE	10.000 MG	
HYDROCHLOROTHIAZIDE	25.000 MG	
GUANETHIDINE SULFATE	10.000 MG	TABLET
GUANETHIDINE SULFATE	25.000 MG	TABLET
HALOPERIDOL	1.000 MG	TABLET
HALOPERIDOL	2.000 MG	TABLET
HALOPERIDOL	5.000 MG	TABLET
HALOPERIDOL	10.000 MG	TABLET
HALOPERIDOL	20.000 MG	TABLET
HALOPERIDOL	500.000 MCG	TABLET
HALOPERIDOL LACTATE	2.000 MG/1ML	SOLUTION
HALOPERIDOL LACTATE	5.000 MG/1ML	INJECTION
HEPARIN SODIUM	10.000 U/1ML	INJECTION
HEPARIN SODIUM	100.000 U/1ML	INJECTION
HEPARIN SODIUM	1000.000 U/1ML	INJECTION
HEPARIN SODIUM	2000.000 U/1ML	INJECTION
HEPARIN SODIUM	2500.000 U/1ML	INJECTION
HEPARIN SODIUM	5000.000 U/1ML	INJECTION
HEPARIN SODIUM	7500.000 U/1ML	INJECTION
HEPARIN SODIUM	10000.000 U/1ML	INJECTION
HEPARIN SODIUM	15000.000 U/1ML	INJECTION
HEPARIN SODIUM	20000.000 U/1ML	INJECTION
HEPARIN SODIUM	30000.000 U/1ML	INJECTION
HEPARIN SODIUM	40000.000 U/1ML	INJECTION
HEPATITIS B IMMUNE GLOBULIN		INJECTION
HYDRALAZINE HCL	10.000 MG	TABLET
HYDRALAZINE HCL	25.000 MG	TABLET
HYDRALAZINE HCL	50.000 MG	TABLET
HYDRALAZINE HCL COMBINATION		TABLET
HYDRALAZINE HCL	25.000 MG	
HYDROCHLOROTHIAZIDE	15.000 MG	
HYDRALAZINE HCL COMBINATION		TABLET
HYDRALAZINE HCL	25.000 MG	
RESERPINE	100.000 MCG	
HYDROCHLOROTHIAZIDE	15.000 MG	

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
HYDROCHLOROTHIAZIDE	25.000 MG	TABLET
HYDROCHLOROTHIAZIDE	50.000 MG	TABLET
HYDROCHLOROTHIAZIDE	100.000 MG	TABLET
HYDROCHLOROTHIAZIDE COMBINATION		TABLET
HYDROCHLOROTHIAZIDE	25.000 MG	
SPIRONOLACTONE	25.000 MG	
HYDROCHLOROTHIAZIDE COMBINATION		TABLET
HYDROCHLOROTHIAZIDE	25.000 MG	
PROPRANOLOL	80.000 MG	
HYDROCHLOROTHIAZIDE COMBINATION		TABLET
HYDROCHLOROTHIAZIDE	25.000 MG	
PROPRANOLOL	40.000 MG	
HYDROCHLOROTHIAZIDE COMBINATION		TABLET
HYDROCHLOROTHIAZIDE	25.000 MG	
TIMOLOL	10.000 MG	
HYDROCHLOROTHIAZIDE COMBINATION		TABLET
HYDROCHLOROTHIAZIDE	25.000 MG	
RESERPINE	125.000 MCG	
HYDROCHLOROTHIAZIDE COMBINATION		TABLET
HYDROCHLOROTHIAZIDE	50.000 MG	
TRIAMTERENE	75.000 MG	
HYDROCHLOROTHIAZIDE COMBINATION		CAPSULE
HYDROCHLOROTHIAZIDE	25.000 MG	
TRIAMTERENE	50.000 MG	
HYDROCORTISONE	10.000 MG	TABLET
HYDROCORTISONE	20.000 MG	TABLET
IBUPROFEN	400.000 MG	TABLET
IBUPROFEN	600.000 MG	TABLET
IDOXURIDINE	.100 %	SOLUTION
IDOXURIDINE	.500 %	OINTMENT
IMIPRAMINE HCL	10.000 MG	TABLET
IMIPRAMINE HCL	25.000 MG	TABLET
IMIPRAMINE HCL	50.000 MG	TABLET
IMMUNE GLOBULIN		INJECTION
INDOMETHACIN	25.000 MG	CAPSULE
INDOMETHACIN	50.000 MG	CAPSULE
INSULIN	40.000 U/1ML	INJECTION
INSULIN	100.000 U/1ML	INJECTION
INSULIN ISOPHANE	40.000 U/1ML	INJECTION
INSULIN ISOPHANE	100.000 U/1ML	INJECTION

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
INSULIN ISOPHANE BEEF PURIFIED	100.000 U/1ML	INJECTION
INSULIN ISOPHANE PORK PURIFIED	100.000 U/1ML	INJECTION
INSULIN PORK	40.000 U/1ML	INJECTION
INSULIN REGULAR HUMAN	100.000 U/1ML	INJECTION
INSULIN ZINC	100.000 U/1ML	INJECTION
INSULIN ZINC BEEF PURIFIED	100.000 U/1ML	INJECTION
INSULIN ZINC EXTENDED	40.000 U/1ML	INJECTION
INSULIN ZINC EXTENDED	100.000 U/1ML	INJECTION
INSULIN ZINC PORK PURIFIED	100.000 U/1ML	INJECTION
INSULIN ZINC PROTAMINE	40.000 U/1ML	INJECTION
INSULIN ZINC PROTAMINE	100.000 U/1ML	INJECTION
INSULIN SYRINGES*		
ISOCARBOXAZID	10.000 MG	TABLET
ISOETHARINE MESYLATE	.600 %	SOLUTION
ISONIAZID	300.000 MG	TABLET
ISOPROTERENOL HCL	.250 %	SOLUTION
ISOSORBIDE DINITRATE	2.500 MG	SOLUBLE TABLET
ISOSORBIDE DINITRATE	5.000 MG	TABLET
ISOSORBIDE DINITRATE	5.000 MG	SOLUBLE TABLET
ISOSORBIDE DINITRATE	10.000 MG	TABLET
ISOSORBIDE DINITRATE	10.000 MG	SOLUBLE TABLET
ISOSORBIDE DINITRATE	20.000 MG	TABLET
KETOCONAZOLE	200.000 MG	TABLET
LABETALOL	200.000 MG	TABLET
LABETALOL	300.000 MG	TABLET
LEUCOVORIN CALCIUM	5.000 MG	TABLET
LEUCOVORIN CALCIUM	25.000 MG	TABLET
LEVODOPA	100.000 MG	TABLET
LEVODOPA	100.000 MG	CAPSULE
LEVODOPA	250.000 MG	TABLET
LEVODOPA	250.000 MG	CAPSULE
LEVODOPA	500.000 MG	TABLET
LEVODOPA	500.000 MG	CAPSULE
LEVODOPA COMBINATION		TABLET
LEVODOPA	100.000 MG	
CARBIDOPA	10.000 MG	
LEVODOPA COMBINATION		TABLET
LEVODOPA	100.000 MG	
CARBIDOPA	25.000 MG	
LEVODOPA COMBINATION		TABLET
LEVODOPA	250.000 MG	

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
CARBIDOPA	25.000 MG	
LEVOTHYROXINE SODIUM	25.000 MCG	TABLET
LEVOTHYROXINE SODIUM	50.000 MCG	TABLET
LEVOTHYROXINE SODIUM	100.000 MCG	TABLET
LEVOTHYROXINE SODIUM	125.000 MCG	TABLET
LEVOTHYROXINE SODIUM	150.000 MCG	TABLET
LEVOTHYROXINE SODIUM	175.000 MCG	TABLET
LEVOTHYROXINE SODIUM	200.000 MCG	TABLET
LEVOTHYROXINE SODIUM	300.000 MCG	TABLET
LIDOCAINE HCL	1.000 %	INJECTION
LIDOCAINE HCL	2.000 %	INJECTION
LIDOCAINE HCL	20.000 MG/1ML	INJECTION
LIDOCAINE HCL	40.000 MG/1ML	INJECTION
LINDANE	1.000 %	CREAM
LINDANE	1.000 %	SUSPENSION
LINDANE	1.000 %	SOLUTION
LIOTHYRONINE SODIUM	5.000 MCG	TABLET
LIOTHYRONINE SODIUM	25.000 MCG	TABLET
LIOTHYRONINE SODIUM	50.000 MCG	TABLET
LIOTRIX	30.000 MCG	TABLET
LIOTRIX	60.000 MCG	TABLET
LIOTRIX	125.000 MCG	TABLET
LIOTRIX	200.000 MCG	TABLET
LITHIUM CARBONATE	300.000 MG	CAPSULE
LITHIUM CARBONATE	300.000 MG	TABLET
LITHIUM CITRATE	8.000 MEQ/5ML	SOLUTION
LYPRESSIN	185.000 MCG/1ML	SOLUTION
MAFENIDE ACETATE	8.500 %	CREAM
MAGNESIUM SULFATE	500.000 MG/1ML	INJECTION
MANGANESE CHLORIDE	100.000 MCG/1ML	INJECTION
MANGANESE SULFATE	100.000 MCG/1ML	INJECTION
MAPROTILINE HCL	25.000 MG	TABLET
MAPROTILINE HCL	50.000 MG	TABLET
MAPROTILINE HCL	75.000 MG	TABLET
MEBENDAZOLE	100.000 MG	CHEWABLE TABLET
MEDROXYPROGESTERONE ACETATE	2.500 MG	TABLET
MEDROXYPROGESTERONE ACETATE	10.000 MG	TABLET
MELPHALAN	2.000 MG	TABLET
MEPERIDINE HCL	25.000 MG/1ML	INJECTION
MEPERIDINE HCL	50.000 MG	TABLET
MEPERIDINE HCL	50.000 MG/1ML	INJECTION
MEPERIDINE HCL	50.000 MG/5ML	SOLUTION
MEPERIDINE HCL	75.000 MG/1ML	INJECTION
MEPERIDINE HCL	100.000 MG	TABLET
MEPERIDINE HCL	100.000 MG/1ML	INJECTION
MEPHENYTOIN	100.000 MG	TABLET
MEPHOBARBITAL	30.000 MG	TABLET
MEPHOBARBITAL	100.000 MG	TABLET

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
MESORIDAZINE BESYLATE	10.000 MG	TABLET
MESORIDAZINE BESYLATE	25.000 MG	TABLET
MESORIDAZINE BESYLATE	25.000 MG/1ML	SOLUTION
MESORIDAZINE BESYLATE	25.000 MG/1ML	INJECTION
MESORIDAZINE BESYLATE	50.000 MG	TABLET
MESORIDAZINE BESYLATE	100.000 MG	TABLET
METAPROTERENOL SULFATE	10.000 MG	TABLET
METAPROTERENOL SULFATE	10.000 MG/5ML	SOLUTION
METAPROTERENOL SULFATE	20.000 MG	TABLET
METAPROTERENOL SULFATE	650.000 MCG	AEROSOL
METHENAMINE MANDELATE	1.000 G	ENTERIC COATED TABLET
METHENAMINE MANDELATE	500.000 MG	ENTERIC COATED TABLET
METHIMAZOLE	5.000 MG	TABLET
METHIMAZOLE	10.000 MG	TABLET
METHOCARBAMOL	500.000 MG	TABLET
METHOCARBAMOL	750.000 MG	TABLET
METHOTREXATE	2.500 MG	TABLET
METHOTREXATE SODIUM	2.500 MG/1ML	INJECTION
METHOTREXATE SODIUM	25.000 MG/1ML	INJECTION
METHOTREXATE SODIUM	50.000 MG	INJECTION
METHSUXIMIDE	150.000 MG	CAPSULE
METHSUXIMIDE	300.000 MG	CAPSULE
METHYLDOPA	125.000 MG	TABLET
METHYLDOPA	250.000 MG	TABLET
METHYLDOPA	500.000 MG	TABLET
METHYLDOPA COMBINATION		TABLET
METHYLDOPA	250.000 MG	
HYDROCHLOROTHIAZIDE	15.000 MG	
METHYLDOPA COMBINATION		TABLET
METHYLDOPA	250.000 MG	
HYDROCHLOROTHIAZIDE	25.000 MG	
METHYLDOPA COMBINATION		TABLET
METHYLDOPA	500.000 MG	
HYDROCHLOROTHIAZIDE	30.000 MG	
METHYLDOPA COMBINATION		TABLET
METHYLDOPA	500.000 MG	
HYDROCHLOROTHIAZIDE	50.000 MG	
METHYLPHENIDATE HCL	5.000 MG	TABLET
METHYLPHENIDATE HCL	10.000 MG	TABLET
METHYLPHENIDATE HCL	20.000 MG	TABLET
METHYSERGIDE MALEATE	2.000 MG	TABLET
METOCLOPRAMIDE HCL	10.000 MG	TABLET
METOPROLOL TARTRATE	50.000 MG	TABLET

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
METOPROLOL TARTRATE	100.000 MG	TABLET
METRONIDAZOLE	250.000 MG	TABLET
MINOXIDIL	2.500 MG	TABLET
MINOXIDIL	10.000 MG	TABLET
MORPHINE SULFATE	4.000 MG/1ML	INJECTION
MORPHINE SULFATE	8.000 MG/1ML	INJECTION
MORPHINE SULFATE	10.000 MG/1ML	INJECTION
MORPHINE SULFATE	10.000 MG/5ML	SOLUTION
MORPHINE SULFATE	15.000 MG/1ML	INJECTION
MORPHINE SULFATE	20.000 MG/5ML	SUSPENSION
NADOLOL	40.000 MG	TABLET
NADOLOL	80.000 MG	TABLET
NADOLOL	120.000 MG	TABLET
NADOLOL	160.000 MG	TABLET
NALBUPHINE	10.000 MG/1ML	INJECTION
NATAMYCIN	5.000 %	SUSPENSION
NIFEDIPINE	10.000 MG	CAPSULE
NITROFURANTOIN	50.000 MG	CAPSULE
NITROFURANTOIN	50.000 MG	TABLET
NITROFURANTOIN	100.000 MG	CAPSULE
NITROFURANTOIN	100.000 MG	TABLET
NITROGLYCERIN	2.000 %	OINTMENT
NITROGLYCERIN	2.500 MG	EXTENDED RELEASE CAPSULE
NITROGLYCERIN	5.000 MG	DRESSING
NITROGLYCERIN	6.000 MG	EXTENDED RELEASE CAPSULE
NITROGLYCERIN	6.500 MG	EXTENDED RELEASE CAPSULE
NITROGLYCERIN	9.000 MG	EXTENDED RELEASE CAPSULE
NITROGLYCERIN	10.000 MG	DRESSING
NITROGLYCERIN	16.000 MG	DRESSING
NITROGLYCERIN	26.000 MG	DRESSING
NITROGLYCERIN	32.000 MG	DRESSING
NITROGLYCERIN	51.000 MG	DRESSING
NITROGLYCERIN	77.000 MG	DRESSING
NITROGLYCERIN	104.000 MG	DRESSING
NITROGLYCERIN	150.000 MCG	SOLUBLE TABLET
NITROGLYCERIN	300.000 MCG	SOLUBLE TABLET
NITROGLYCERIN	400.000 MCG	SOLUBLE TABLET
NITROGLYCERIN	600.000 MCG	SOLUBLE TABLET
NORETHINDRONE	350.000 MCG	TABLET

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
NORGESTREL	75.000 MCG	TABLET
NYSTATIN	100000.000 U	SUPPOSITORY
NYSTATIN	100000.000 U/1G	OINTMENT
NYSTATIN	100000.000 U/1ML	SUSPENSION
NYSTATIN	500000.000 U	TABLET
OXACILLIN SODIUM	1.000 G	INJECTION
OXACILLIN SODIUM	2.000 G	INJECTION
OXACILLIN SODIUM	250.000 MG	CAPSULE
OXACILLIN SODIUM	250.000 MG/5ML	SOLUTION
OXACILLIN SODIUM	500.000 MG	CAPSULE
OXACILLIN SODIUM	500.000 MG	INJECTION
PANCREATIN QUADRUPLE STRENGTH		
PANCREATIN QUADRUPLE STRENGTH	300.000 MG	TABLET
PANCREATIN TRIPLE STRENGTH	300.000 MG	ENTERIC COATED TABLET
PANCREATIN TRIPLE STRENGTH	300.000 MG	CAPSULE
PANCRELIPASE		CAPSULE
PANCRELIPASE		ENTERIC COATED CAPSULE
PANCRELIPASE	300.000 MG	CAPSULE
PANCRELIPASE	400.000 MG	TABLET
PARAMETHADIONE	150.000 MG	CAPSULE
PARAMETHADIONE	300.000 MG	CAPSULE
PARAMETHADIONE	300.000 MG/1ML	SOLUTION
PAREGORIC		TINCTURE
PEMOLINE	37.500 MG	CHEWABLE TABLET
PEMOLINE	18.750 MG	TABLET
PEMOLINE	37.500 MG	TABLET
PEMOLINE	75.000 MG	TABLET
PENICILLIN G POTASSIUM	20000000.000 U	INJECTION
PENICILLIN G POTASSIUM	5000000.000 U	INJECTION

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
PENICILLIN G POTASSIUM	1000000.000 U	INJECTION
PENICILLIN G PROCAINE	300000.000 U/1ML	INJECTION
PENICILLIN G PROCAINE	500000.000 U/1ML	INJECTION
PENICILLIN G PROCAINE	600000.000 U/1ML	INJECTION
PENICILLIN V POTASSIUM	125.000 MG/5ML	SOLUTION
PENICILLIN V POTASSIUM	250.000 MG	TABLET
PENICILLIN V POTASSIUM	250.000 MG/5ML	SOLUTION
PENICILLIN V POTASSIUM	500.000 MG	TABLET
PENTAERYTHRITOL TETRANITRATE	10.000 MG	TABLET
PENTAERYTHRITOL TETRANITRATE	40.000 MG	TABLET
PHENACEMIDE	500.000 MG	TABLET
PHENAZOPYRIDINE HCL	100.000 MG	TABLET
PHENAZOPYRIDINE HCL	200.000 MG	TABLET
PHENOBARBITAL	15.000 MG	TABLET
PHENOBARBITAL	30.000 MG	TABLET
PHENOBARBITAL	60.000 MG	TABLET
PHENOBARBITAL	100.000 MG	TABLET
PHENOBARBITAL ELIXIR	20.000 MG/5ML	SOLUTION
PHENOBARBITAL SODIUM	125.000 MG/1ML	INJECTION
PHENSUXIMIDE	500.000 MG	CAPSULE
PHENYLBUTAZONE	100.000 MG	TABLET
PHENYLBUTAZONE	100.000 MG	CAPSULE
PHENYTOIN	30.000 MG/5ML	SUSPENSION
PHENYTOIN	50.000 MG	CHEWABLE TABLET
PHENYTOIN	125.000 MG/5ML	SUSPENSION
PHENYTOIN SODIUM	30.000 MG	EXTENDED RELEASE CAPSULE
PHENYTOIN SODIUM	50.000 MG/1ML	INJECTION
PHENYTOIN SODIUM	100.000 MG	CAPSULE
PHENYTOIN SODIUM	100.000 MG	EXTENDED RELEASE CAPSULE
PHYSOSTIGMINE SULFATE	.250 %	OINTMENT
PHYTONADIONE	5.000 MG	TABLET
PHYTONADIONE	10.000 MG/1ML	INJECTION
PILOCARPINE HCL	.250 %	SOLUTION
PILOCARPINE HCL	.500 %	VISCOUS SOLUTION
PILOCARPINE HCL	.500 %	SOLUTION

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
PILOCARPINE HCL	1.000 %	VISCOUS SOLUTION
PILOCARPINE HCL	1.000 %	SOLUTION
PILOCARPINE HCL	1.500 %	SOLUTION
PILOCARPINE HCL	2.000 %	SOLUTION
PILOCARPINE HCL	2.000 %	VISCOUS SOLUTION
PILOCARPINE HCL	3.000 %	SOLUTION
PILOCARPINE HCL	3.000 %	VISCOUS SOLUTION
PILOCARPINE HCL	4.000 %	SOLUTION
PILOCARPINE HCL	4.000 %	VISCOUS SOLUTION
PILOCARPINE HCL	5.000 %	SOLUTION
PILOCARPINE HCL	6.000 %	SOLUTION
PILOCARPINE HCL	8.000 %	SOLUTION
PILOCARPINE HCL	10.000 %	SOLUTION
PILOCARPINE HCL COMBINATION		VISCOUS SOLUTION
PILOCARPINE HCL	2.000 %	
PHYSOSTIGMINE SALICYLATE	.250 %	
HYDROXYPROPYL METHYLCELLULOSE		
PILOCARPINE NITRATE	.500 %	VISCOUS SOLUTION
PILOCARPINE NITRATE	1.000 %	VISCOUS SOLUTION
PILOCARPINE NITRATE	3.000 %	VISCOUS SOLUTION
PILOCARPINE NITRATE	4.000 %	VISCOUS SOLUTION
PILOCARPINE NITRATE	6.000 %	VISCOUS SOLUTION
PINDOLOL	5.000 MG	TABLET
PINDOLOL	10.000 MG	TABLET
PIPERAZINE HEXAHYDRATE CITRATE	500.000 MG/5ML	SOLUTION
POTASSIUM CHLORIDE	2.000 MEQ/1ML	INJECTION
POTASSIUM CHLORIDE	6.700 MEQ/5ML	SOLUTION
POTASSIUM CHLORIDE	8.000 MEQ	EXTENDED RELEASE CAPSULE
POTASSIUM CHLORIDE	13.300 MEQ/5ML	SOLUTION
POTASSIUM CHLORIDE	60.000 MEQ/1ML	INJECTION
POTASSIUM CHLORIDE	600.000 MG	EXTENDED RELEASE TABLET
POTASSIUM CHLORIDE	750.000 MG	EXTENDED RELEASE TABLET
POTASSIUM GLUCONATE	6.700 MEQ/5ML	SOLUTION
POTASSIUM GLUCONATE	486.000 MG	TABLET
PRAZOSIN HCL	1.000 MG	CAPSULE
PRAZOSIN HCL	2.000 MG	CAPSULE
PRAZOSIN HCL	5.000 MG	CAPSULE
PRAZOSIN HCL COMBINATION		CAPSULE
PRAZOSIN HCL	1.000 MG	
POLYTHIAZIDE	500.000 MCG	
PRAZOSIN HCL COMBINATION		CAPSULE
PRAZOSIN HCL	2.000 MG	
POLYTHIAZIDE	500.000 MCG	
PRAZOSIN HCL COMBINATION		CAPSULE
PRAZOSIN HCL	5.000 MG	
POLYTHIAZIDE	500.000 MCG	

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
PREDNISONE	5.000 MG	TABLET
PREDNISONE	10.000 MG	TABLET
PREDNISONE	20.000 MG	TABLET
PREDNISONE	50.000 MG	TABLET
PRIMIDONE	50.000 MG	TABLET
PRIMIDONE	250.000 MG	TABLET
PRIMIDONE	250.000 MG/5ML	SUSPENSION
PROBENECID	500.000 MG	TABLET
PROCAINAMIDE HCL	250.000 MG	CAPSULE
PROCAINAMIDE HCL	375.000 MG	CAPSULE
PROCAINAMIDE HCL	500.000 MG	CAPSULE
PROCHLORPERAZINE	2.500 MG	SUPPOSITORY
PROCHLORPERAZINE	5.000 MG	SUPPOSITORY
PROCHLORPERAZINE	25.000 MG	SUPPOSITORY
PROCHLORPERAZINE EDISYLATE	5.000 MG/1ML	INJECTION
PROCHLORPERAZINE EDISYLATE	5.000 MG/5ML	SOLUTION
PROCHLORPERAZINE EDISYLATE	10.000 MG/1ML	SOLUTION
PROCHLORPERAZINE MALEATE	5.000 MG	TABLET
PROCHLORPERAZINE MALEATE	10.000 MG	TABLET
PROCHLORPERAZINE MALEATE	25.000 MG	TABLET
PROMETHAZINE HCL	6.250 MG/5ML	SOLUTION
PROMETHAZINE HCL	12.500 MG	SUPPOSITORY
PROMETHAZINE HCL	12.500 MG	TABLET
PROMETHAZINE HCL	25.000 MG	SUPPOSITORY
PROMETHAZINE HCL	25.000 MG	TABLET
PROMETHAZINE HCL	25.000 MG/5ML	SOLUTION
PROMETHAZINE HCL	50.000 MG	TABLET
PROMETHAZINE HCL	50.000 MG	SUPPOSITORY
PROMETHAZINE HCL	15.000 MG	TABLET
PROPANTHELINE BROMIDE	10.000 MG	TABLET
PROPRANOLOL HCL	20.000 MG	TABLET
PROPRANOLOL HCL	40.000 MG	TABLET
PROPRANOLOL HCL	80.000 MG	TABLET
PROPYLTHIOURACIL	50.000 MG	TABLET
PYRANTEL PAMOATE	250.000 MG/5ML	SUSPENSION
PYRAZINAMIDE	500.000 MG	TABLET
PYRVINIUM PAMOATE	10.000 MG/1ML	SUSPENSION
QUINIDINE GLUCONATE	324.000 MG	EXTENDED RELEASE TABLET
QUINIDINE SULFATE	100.000 MG	TABLET
QUINIDINE SULFATE	200.000 MG	TABLET
QUINIDINE SULFATE	300.000 MG	TABLET
RANITIDINE	150.000 MG	TABLET
RESERPINE	250.000 MCG	TABLET

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
RIFAMPIN	300.000 MG	CAPSULE
SILVER SULFADIAZINE	1.000 %	CREAM
SODIUM CHLORIDE	2.500 MEQ/1ML	INJECTION
SODIUM CHLORIDE	4.000 MEQ/1ML	INJECTION
SODIUM FLUORIDE	1.100 MG/1ML	SOLUTION
SODIUM FLUORIDE	2.200 MG	CHEWABLE TABLET
SODIUM FLUORIDE	2.200 MG	TABLET
SODIUM FLUORIDE	5.500 MG/1ML	SOLUTION
SUCRALFATE	1.000 G	TABLET
SULFACETAMIDE SODIUM	10.000 %	OINTMENT
SULFACETAMIDE SODIUM	10.000 %	SOLUTION
SULFACETAMIDE SODIUM	15.000 %	SOLUTION
SULFACETAMIDE SODIUM	30.000 %	SOLUTION
SULFAMETHOXAZOLE COMBINATION		TABLET
SULFAMETHOXAZOLE	400.000 MG	
TRIMETHOPRIM	80.000 MG	
SULFAMETHOXAZOLE COMBINATION		SUSPENSION
SULFAMETHOXAZOLE	200.000 MG	
TRIMETHOPRIM	40.000 MG	
SULFAMETHOXAZOLE COMBINATION		TABLET
SULFAMETHOXAZOLE	800.000 MG	
TRIMETHOPRIM	160.000 MG	
SULFINPYRAZONE	100.000 MG	TABLET
SULFINPYRAZONE	200.000 MG	CAPSULE
SULFISOXAZOLE	500.000 MG	TABLET
TERBUTALINE SULFATE		INHALANT
TERBUTALINE SULFATE	2.500 MG	TABLET
TERBUTALINE SULFATE	5.000 MG	TABLET
TETRACYCLINE HCL	500.000 MG	CAPSULE
TETRACYCLINE HCL	250.000 MG	CAPSULE
THEOPHYLLINE	100.000 MG	CAPSULE
THEOPHYLLINE	200.000 MG	CAPSULE
THEOPHYLLINE	100.000 MG	TABLET
THEOPHYLLINE	200.000 MG	TABLET
THEOPHYLLINE	300.000 MG	TABLET
THEOPHYLLINE (20% ALCOHOL)	80.000 MG/15ML	SOLUTION
THEOPHYLLINE (ALCOHOL AND DYE FREE)	80.000 MG/15ML	SOLUTION
THEOPHYLLINE (8-12 H)	100.000 MG	EXTENDED RELEASE TABLET
THEOPHYLLINE (8-12 H)	200.000 MG	EXTENDED RELEASE TABLET
THEOPHYLLINE (8-12 H)	250.000 MG	EXTENDED RELEASE TABLET
THEOPHYLLINE (8-12 H)	300.000 MG	EXTENDED RELEASE TABLET
THEOPHYLLINE (8-12 H)	500.000 MG	EXTENDED RELEASE TABLET
THEOPHYLLINE (12 H)	100.000 MG	EXTENDED RELEASE TABLET
THEOPHYLLINE (12 H)	200.000 MG	EXTENDED RELEASE TABLET
THEOPHYLLINE (12 H)	250.000 MG	EXTENDED RELEASE TABLET
THEOPHYLLINE (12 H)	300.000 MG	EXTENDED RELEASE TABLET

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
THEOPHYLLINE (12-24 H)	100.000 MG	EXTENDED RELEASE TABLET
THEOPHYLLINE (12-24 H)	200.000 MG	EXTENDED RELEASE TABLET
THEOPHYLLINE (12-24 H)	300.000 MG	EXTENDED RELEASE TABLET
THEOPHYLLINE (12-24 H)	400.000 MG	EXTENDED RELEASE TABLET
THEOPHYLLINE (8-12 H)	50.000 MG	EXTENDED RELEASE CAPSULE
THEOPHYLLINE (8-12 H)	125.000 MG	EXTENDED RELEASE CAPSULE
THEOPHYLLINE (8-12 H)	200.000 MG	EXTENDED RELEASE CAPSULE
THEOPHYLLINE (8-12 H)	250.000 MG	EXTENDED RELEASE CAPSULE
THEOPHYLLINE (12 H)	125.000 MG	EXTENDED RELEASE CAPSULE
THEOPHYLLINE (12 H)	250.000 MG	EXTENDED RELEASE CAPSULE
THEOPHYLLINE (12 H)	300.000 MG	EXTENDED RELEASE CAPSULE
THEOPHYLLINE (24 H)	100.000 MG	EXTENDED RELEASE CAPSULE
THEOPHYLLINE (24 H)	200.000 MG	EXTENDED RELEASE CAPSULE
THEOPHYLLINE (24 H)	300.000 MG	EXTENDED RELEASE CAPSULE
THIABENDAZOLE	500.000 MG	CHEWABLE TABLET
THIABENDAZOLE	500.000 MG/5ML	SUSPENSION
THIORIDAZINE HCL	10.000 MG	TABLET
THIORIDAZINE HCL	15.000 MG	TABLET
THIORIDAZINE HCL	25.000 MG	TABLET
THIORIDAZINE HCL	50.000 MG	TABLET
THIORIDAZINE HCL	100.000 MG	TABLET
THIORIDAZINE HCL	150.000 MG	TABLET
THIORIDAZINE HCL	200.000 MG	TABLET
THIORIDAZINE HCL BASE	25.000 MG/5ML	SUSPENSION
THIORIDAZINE HCL BASE	100.000 MG/5ML	SUSPENSION
THIOTHIXENE	1.000 MG	CAPSULE
THIOTHIXENE	2.000 MG	CAPSULE
THIOTHIXENE	5.000 MG	CAPSULE
THIOTHIXENE	10.000 MG	CAPSULE
THIOTHIXENE	20.000 MG	CAPSULE
THIOTHIXENE HCL	2.000 MG/1ML	INJECTION
THIOTHIXENE HCL	5.000 MG/1ML	INJECTION
THIOTHIXENE HCL	5.000 MG/1ML	SOLUTION
THYROGLOBULIN	100.000 MG	TABLET
THYROGLOBULIN	200.000 MG	TABLET
THYROID	15.000 MG	TABLET
THYROID	30.000 MG	TABLET
THYROID	60.000 MG	TABLET
THYROID	60.000 MG	ENTERIC COATED TABLET
THYROID	100.000 MG	TABLET
THYROID	125.000 MG	ENTERIC COATED TABLET
THYROID	200.000 MG	TABLET
THYROID	250.000 MG	TABLET
TIMOLOL MALEATE	.250 %	SOLUTION
TIMOLOL MALEATE	.500 %	SOLUTION
TIMOLOL MALEATE	10.000 MG	TABLET
TIMOLOL MALEATE	20.000 MG	TABLET
TOCAINIDE HYDROCHLORIDE	400.000 MG	TABLET

STATE OF LOUISIANA

MEDICAID FORMULARY
PRICE GUIDELINES

GENERIC DRUGS

DRUG NAME	STRENGTH/UNIT	DOSAGE FORM
TOCAINIDE HYDROCHLORIDE	600.000 MG	TABLET
TOLAZAMIDE	100.000 MG	TABLET
TOLAZAMIDE	250.000 MG	TABLET
TOLAZAMIDE	500.000 MG	TABLET
TOLBUTAMIDE	250.000 MG	TABLET
TOLBUTAMIDE	500.000 MG	TABLET
TRANYLCYPROMINE SULFATE	10.000 MG	TABLET
TRIAMCINOLONE ACETONIDE	.025 %	CREAM
TRIAMCINOLONE ACETONIDE	.025 %	OINTMENT
TRIAMCINOLONE ACETONIDE	.025 %	LOTION
TRIAMCINOLONE ACETONIDE	.025 %	LOTION
TRIAMCINOLONE ACETONIDE	.100 %	CREAM
TRIAMCINOLONE ACETONIDE	.100 %	OINTMENT
TRIAMCINOLONE ACETONIDE	.100 %	LOTION
TRIAMCINOLONE ACETONIDE	.500 %	OINTMENT
TRIAMCINOLONE ACETONIDE	.500 %	CREAM
TRIAMCINOLONE ACETONIDE	3.000 MG/1G	INHALANT
TRIAMCINOLONE ACETONIDE	40.000 MG/1ML	INJECTION
TRIAZOLAM	250.000 MCG	TABLET
TRIAZOLAM	500.000 MCG	TABLET
TRIFLURIDINE	1.000 %	SOLUTION
TRIHEXYPHENIDYL HCL	2.000 MG	TABLET
TRIHEXYPHENIDYL HCL	2.000 MG/5ML	SOLUTION
TRIHEXYPHENIDYL HCL	5.000 MG	TABLET
TRIMETHADIONE	150.000 MG	CHEWABLE TABLET
TRIMETHADIONE	200.000 MG/5ML	SOLUTION
TRIMETHADIONE	300.000 MG	CAPSULE
VALPROIC ACID	250.000 MG	CAPSULE
VALPROIC ACID SODIUM	250.000 MG/5ML	SOLUTION
VERAPAMIL HCL	80.000 MG	TABLET
VERAPAMIL HCL	120.000 MG	TABLET
VIDARABINE MONOHYDRATE	3.000 %	OINTMENT
VITAMIN A	25000.000 U	CAPSULE
VITAMIN A	50000.000 U	CAPSULE
VITAMIN A SOLUBILIZED	50000.000 U/1ML	INJECTION
WARFARIN SODIUM	2.000 MG	TABLET
WARFARIN SODIUM	2.500 MG	TABLET
WARFARIN SODIUM	5.000 MG	TABLET
WARFARIN SODIUM	7.500 MG	TABLET
WARFARIN SODIUM	10.000 MG	TABLET
ZINC CHLORIDE	1.000 MG/1ML	INJECTION
ZINC SULFATE	1.000 MG/1ML	INJECTION

END OF REPORT

Regulatory Exception

Upon final state approval of this proposal, implementation shall be dependent on the approval of the Health Care Financing Administration (HCFA). Disapproval of this proposal by HCFA will automatically cancel the provisions of this rule and current policy will remain in effect.

Sandra L. Robinson, M.D., M.P.H.
Secretary and State Health Officer

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: OFS - Pharmacy Restricted Formulary

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

This proposed rule is one of a series of four proposed rules which are designed to create a restricted formulary for the Medicaid prescription drug program. The total amount of potential savings if all four rules are implemented is $37,362,475 in state and federal funds.

The Executive Budget for 1985-86 allocates a total of $50,403,128 for Medicaid prescription drugs, a reduction of $28,461,187 from the amount requested by the agency. According to the Executive Budget, this reduced level of spending is to be achieved in part by conversion to a restricted formulary.

Implementation of this rule alone, which establishes a comprehensive list of drugs displayed by generic nomenclature, strength/unit and dosage form, would result in the following savings to the Medicaid program:

	FY 1985-86	FY 1986-87	FY 1987-88
State	($1,820,949)	($1,949,752)	($2,078,435)
Federal	(3,233,032)	(3,437,791)	(3,664,686)
Total	($5,053,981)	($5,387,543)	($5,743,121)

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

Implementation of this proposed rule will result in a reduction of $3,233,032 in federal funds in FY 85-86; $3,437,791 in FY 86-87; and $3,664,686 in FY 87-88.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

Revenue impact of this proposed rule cannot be predicted for individual drug manufacturers. Some manufacturers will experience increased sales while others will experience reduced sales in Louisiana.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

There is no direct effect on competition and employment.

Marjorie T. Stewart
Assistant Secretary

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Department of Health and Human Resources
Office of Family Security

The Department of Health and Human Resources, Office of Family Security, proposes to amend Louisiana Maximum Allowable Cost Regulations to include only those drugs which are reimbursable through the Medical Assistance Pharmacy Program's restricted formulary effective July 1, 1985.

Summary

The Louisiana Maximum Allowable Cost Regulation (LMAC) now cover 394 multiple source drugs. This proposed rule will extend LMAC coverage to all drugs included in the Pharmacy Program's restricted formulary. This rule will reestablish estimated acquisition costs of drugs included in the restricted formulary at the median (midpoint) price by generic nomenclature.

This proposed rule will amend the agency's maximum allowable cost (MAC) rule published in the *Louisiana Register,* Volume 9, Number 8, August 20, 1983, pages 552-561.

This proposed rule is a cost containment measure to reduce program expenditures to targeted appropriation levels while providing maximum benefits to recipients.

Comments

Interested persons may submit written comments through May 3, 1985, to the following address: Marjorie T. Stewart, Assistant Secretary, Box 44065, Baton Rouge, LA 70804. She is the person responsible for responding to inquiries regarding this proposed rule. A copy of the proposed rule and its fiscal and economic impact statement is available for review in each local Office of Family Security.

Notice of Public Hearing

A public hearing on this proposed rule will be held on May 3, 1985, in the Louisiana State Library Auditorium, 760 Riverside, Baton Rouge, LA beginning at 9:30 a.m. All interested persons will be afforded an opportunity to submit data, views, or arguments, orally or in writing, at said hearing.

Proposed Rule

Louisiana Maximum Allowable Cost (LMAC) Regulations

The LMAC shall be applicable unless a lower federal MAC for the respective products is established.

The LMAC methodology used in the Pharmacy Program to determine allowable costs is as follows:

1. The wholesale cost of a specific strength/unit of a drug by a single manufacturer, labeler, etc. is the average wholesale cost of that drug as listed in the most current edition of *American Druggist Blue Book*/or its revisions, hereinafter referred to as the Blue Book.

2. The LMAC list is the DHHR, MAP listing of drugs, by generic name, unit and dosage which are included in the agency's restricted formulary. The LMAC shall be applied to all drugs included in the agency's restricted formulary.

3. Estimated acquisition cost (EAC) is the agency's best estimate of what providers are generally paying for a drug. The basis for determining the EAC will be the current *American Druggist Blue Book* and its revisions. The agency has determined that the EAC for multi-source drugs with an LMAC shall be the LMAC or the Blue Book wholesale cost whichever is less.

4. The LMAC, determined and calculated for a multiple source drug, is the median wholesale cost of a drug for a specific strength/unit. The median wholesale price is determined by listing the average wholesale costs for a drug for a specific strength/unit for each readily available manufacturer, labeler, etc., and taking the median of those wholesale costs (one half of the manufacturers, etc., will be above the median cost and one-half of the manufacturers will be below the median cost).

All LMAC costs will be computed as described above. The LMAC costs may be adjusted by the agency based on changes in the availability and EAC of the drugs. Any LMAC cost revisions will be based on *The American Druggist Blue Book* Data Center information. Such LMAC cost revisions will be sent to pharmacist and physician providers on a timely, monthly basis. The LMAC cost list will be included in the agency's restricted formulary and distributed annually.

The LMAC limits shall be applicable to all reimbursable

drugs unless the prescribing physician has certified, in his own handwriting, that a specified brand is medically necessary for the recipient.

In no case may a recipient be required to provide payment for any difference in a prescription price that may occur with implementation of the LMAC limit, nor may OFS use a cost which exceeds the established maximums except as specified below.

This program shall track the U.S. Department of Health and Human Services regulation regarding exceptions to their MAC limitations. The specific guidelines regarding procedures for such exceptions provide that:

a. the certification must be in the physician's handwriting;

b. the certification may be written directly on the prescription or on a separate sheet which is attached to the prescription;

c. a standard phrase written on the prescription, such as "brand necessary" will be acceptable;

d. a printed box on the prescription blank that could be checked by the physician to indicate brand necessity is unacceptable;

e. a handwritten statement transferred to a rubber stamp and then stamped on the prescription blank is unacceptable.

Regulatory Exception

Upon final state approval of this proposal, implementation shall be dependent on the approval of the Health Care Financing Administration (HCFA). Disapproval of this proposal by HCFA will automatically cancel the provisions of this rule and current policy will remain in effect.

Sandra L. Robinson, M.D., M.P.H.
Secretary and State Health Officer

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Pharmacy Program/Restricted Formulary - MAC Inclusion

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

This proposed rule is one of a series of four proposed rules which are designed to create a restricted formulary for the Medicaid prescription drug program. The total amount of potential savings if all four rules are implemented is $37,362,475 in state and federal funds.

The Executive Budget for 1985-86 allocates a total of $50,403,128 for Medicaid prescription drugs, a reduction of $28,461,187 from the amount requested by the agency. According to the Executive Budget, this reduced level of spending is to be achieved in part by conversion to a restricted formulary.

Implementation of this rule, which is dependent upon implementation of the rule establishing a comprehensive list of drugs to be known as a restricted formulary, would apply LMAC (Louisiana maximum allowable cost) limitations to all drugs included in the restricted formulary. The additional savings to the Medicaid program achieved by this rule would be as follows:

	FY 1985-86	FY 1986-87	FY 1987-88
State	($3,161,648)	($3,563,122)	($3,997,824)
Federal	(5,613,395)	(6,282,477)	(7,048,938)
Total	($8,775,043)	($9,845,599)	($11,046,762)

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

Implementation of this proposed rule will result in a reduction of $5,613,395 in federal funds in FY 85-86; $6,282,477 in FY 86-87; and $7,048,938 in FY 87-88.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

The revenue impact of this proposed rule cannot be predicted for individual providers. This proposal will reduce program reimbursement to pharmacy providers statewide by $8,775,043 in FY 85-86; $9,845,599 in FY 86-87; and $11,046,762 in FY 87-88.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

There is no known effect on competition and employment.

Marjorie T. Stewart
Assistant Secretary

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Department of Health and Human Resources
Office of Family Security

The Department of Health and Human Resources, Office of Family Security, proposes to freeze reimbursement rates for Skilled Nursing Facilities and Intermediate Care Facilities I and II at the rate set effective July 1, 1984 for a one year period beginning July 1, 1985.

Summary

Current agency policy provides for an automatic cost of living increase for nursing home providers of SNF and ICF I and II services. The rate is broken into several components, which are inflated annually based on various consumer price indices.

This proposed rule will suspend the automatic cost of living increase mandated in the reimbursement methodology. This will have the effect of freezing the rates at FY 84-85 levels for FY 85-86.

The proposed rule is a cost containment measure to reduce program expenditures to targeted appropriation levels. This proposal is allowable under the federal regulations set forth in 42 CFR 447.252 which authorizes the state agency to establish Medicaid reimbursement rates for long term care services.

Comments

Interested persons may submit written comments through May 2, 1985, to the following address: Marjorie T. Stewart, Assistant Secretary, Box 44065, Baton Rouge, LA 70804. She is the person responsible for responding to inquiries regarding this proposed rule. A copy of the proposed rule and its fiscal economic impact statement is available for review in each local Office of Family Security.

Notice of Public Hearing

A public hearing on the proposed rule will be held on May 2, 1985, in the Louisiana State Library Auditorium, 760 Riverside, Baton Rouge, LA beginning at 9:30 a.m. All interested persons will be afforded an opportunity to submit data, views or arguments, orally or in writing, at said hearing.

Proposed Rule

Effective July 1, 1985, the inflation adjustment factor for the various base rate components of the SNF, ICF/I and ICF/II reimbursement methodology shall be set at zero. The effect of this action will be to freeze rates for providers of those services for one year.

Regulatory Exception

Upon final state approval of this proposed rule, implementation shall be dependent on the approval of the Health Care Financing Administration (HCFA). Disapproval of this proposal by

HCFA will automatically cancel the provisions of this rule and current policy will remain in effect.

Sandra L. Robinson, M.D., M.P.H.
Secretary and State Health Officer

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Rate Freeze for Skilled Nursing Facilities and Intermediate Care Facilities I and II

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

Implementation of this proposed rule will result in a savings to the Medicaid program of $9,266,629 ($3,338,766 state and $5,927,863 federal) in 1985-86. The proposed rule will also save $842,421 ($304,874 state and $537,547 federal) in 1986-87 in payments made to nursing homes in the month of July for services rendered in June. This rule is valid for one year only. Continuation of the rate freeze in 1986-87 would require republication.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

Implementation of this proposed rule will result in a reduction of $5,927,863 in federal funds in FY 85-86 and $537,547 in FY 86-87.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

The impact of this proposal on individual nursing homes will vary depending upon the number of Medicaid recipients. The proposal will reduce Medicaid reimbursement to nursing homes statewide by $9,266,629 in FY 85-86 and $842,421 in FY 86-87.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

There is no known effect on competition and employment.

Marjorie T. Stewart
Assistant Secretary

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Department of Health and Human Resources
Office of Family Security

The Department of Health and Human Resources, Office of Family Security, proposes to implement the following rule.

Proposed Rule

Effective July 1, 1985, the Title XIX State Plan, Section 2, page 29 and Attachment 3.2-A are being amended to indicate that the Office of Family Security makes the entire range of benefits under Part B of Title XVIII available to certain eligible individuals under a buy-in agreement. The agency will not make the same services available to recipients not covered by Medicare.

A buy-in agreement with the secretary of the Department of Health and Human Services will be the method used to provide these medical benefits. This agreement covers recipients who receive a money payment under the State Plan under Titles I or XVI of the Social Security Act. This also includes persons receiving benefits under Titles II, IV-A, X and XIV of the Act or under the Railroad Retirement System.

Implementation of this rule is dependent on the approval of the Health Care Financing Administration (HCFA). Disapproval of the change by HCFA will automatically cancel the provisions of this rule and current policy will remain in effect.

Interested persons may submit written comments to the following address: Marjorie T. Stewart, Assistant Secretary, Office of Family Security, Box 44065, Baton Rouge, LA 70804. She is the person responsible for responding to inquiries regarding this proposed rule. A copy of the proposed rule and its fiscal and economic impact statement is available for review in each local Office of Family Security.

A public hearing on the proposed rule will be held on May 2, 1985, in the Louisiana State Library Auditorium, 760 Riverside, Baton Rouge, LA beginning at 9:30 a.m. All interested persons will be afforded an opportunity to submit data, views or arguements, orally or in writing, at said hearing.

Sandra L. Robinson, M.D., M.P.H.
Secretary and State Health Officer

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Buy-In

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

Implementation of this proposed rule will result in the following costs to the Medicaid Program:

	FY 1985-86	FY 1986-87	FY 1987-88
State	7,241,860	7,702,506	8,161,739
Federal	12,823,501	13,547,387	14,357,106
TOTAL	20,065,361	21,249,893	22,528,845

Significant savings are anticipated as a result of the transfer of some medical costs for eligible individuals from the Medicaid program, which is financed by state and federal funds, to the federally financed Medicare program. The amount of savings cannot be determined at this time.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

Implementation of this proposed rule will increase federal Title XIX revenues to the state by the following amounts: $12,823,501 in 1985-86, $13,574,387 in 1986-87 and $14,357,106 in 1987-88.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

Individuals eligible for Medicare Buy-In will receive an increase in their cash benefits equal to the amount deducted for the Medicare premium. Those individuals who pay their Medicare premium quarterly will be allowed to retain those funds.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

We anticipate no effect on competition and employment.

Marjorie T. Stewart
Assistant Secretary

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Department of Health and Human Resources
Office of Family Security

The Department of Health and Human Resources, Office of Family Security, proposes to implement the following rule.

Proposed Rule

Effective June 20, 1985, the Title XIX State Plan, Attach-

ment 4.19-D, page 28a will be amended to include the following Paragraph under Subpart D. PHYSICIAN CERTIFICATION AND RECERTIFICATION:

Certification is the process by which a physician who has knowledge of the case attests to an individual's need for a specific type or level of institutional care. This certification must be provided by the physician on or not more than 30 days prior to an individual's admission to an institution. If an individual makes an application for assistance while in an institution, the certification must be signed at that time or, if the certification was made earlier, not more than 30 days prior to authorization of Medicaid payment. When the preceding time limitation for certification is exceeded, a new certification must be obtained.

This applies not only to initial certifications, but also includes a transfer from an acute care hospital to a long term care facility even if the patient had previously been a resident in the facility to which he or she is being transferred, when the transfer is from one level of care to another level within the same facility, or when the patient is transferred from one long term care facility to another facility.

Implementation of this rule is dependent on the approval of the Health Care Financing Administration (HCFA). Disapproval of the change by HCFA will automatically cancel the provisions of this rule and current policy will remain in effect. Emergency rulemaking has been invoked to implement this policy effective February 25, 1985. The Emergency Rule was published in March 20, 1985, *Louisiana Register,* (Volume 11, Number 3). This action was necessary to avoid federal sanctions.

Interested persons may submit written comments to the following address: Marjorie T. Stewart, Assistant Secretary, Office of Family Security, Box 44065, Baton Rouge, LA 70804. She is the person responsible for responding to inquiries regarding this proposed rule. A copy of the proposed rule and its fiscal and economic impact statement is available for review in each local Office of Family Security.

A public hearing on the proposed rule will be held on May 2, 1985, in the Louisiana State Library Auditorium, 760 Riverside, Baton Rouge, LA beginning at 9:30 a.m. All interested persons will be afforded an opportunity to submit data, views or arguments, orally or in writing, at said hearing.

Sandra L. Robinson, M.D., M.P.H.
Secretary and State Health Officer

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Change in Physician Certification of Need

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

There will be no cost to implement this rule.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

There will be no effect on revenue collections.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

There will be no costs/benefits to affected groups or persons.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

There will be no effect on competition or employment.

Marjorie T. Stewart
Assistant Secretary

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Department of Health and Human Resources
Office of Preventive and Public Health Services

The Department of Health and Human Resources, Office of Preventive and Public Health Services (OPPHS) intends to adopt the following regulations to be used in the operation of the State Genetic Diseases Program in accordance with the Administrative Procedure Act R.S. 49:950-970. These regulations are for Neonatal screening which is mandated through R.S. 40:1299, 1299.1, 1299.2, 1299.3 and for the eligiblity and the third-party collection policies for the Regional Genetics Clinics and for collection of third party payments for the distribution of special formulas for patients with an inborn error of metabolism. The Genetic Diseases Program Advisory Committee is also proposed to be established by these rules pursuant to federal recommendations.

I. Neonatal Screening

A. Eligibility

Any child born in or residing in the State of Louisiana shall be eligible for neonatal screening.

B. Purpose, Scope, Methodology

R.S. 40:1299 requires physicians to test Louisiana neonates for several conditions known to be deleterious to affected infants when not treated. OPPHS maintains a laboratory for screening tests for the hyperphenylalaninemia manifest in phenylketonuria (PKU), for thyroxine (T4) and thyroid stimulating hormone (TSH) for congenital hypothyroidism, and hemoglobin electrophoresis for sickle cell disease. Definitive diagnostic tests are provided if the screening test is positive.

The Genetics Program of OPPHS includes the neonatal screening program and will follow suspect cases identified through the screening process to make certain that definitive diagnostic testing is done. Upon report of a case by a physician to OPPHS as required by R.S. 40:1299 the services of the state program can be extended to the family. This includes physicians and/or nutritional management in the case of inborn errors of metabolism, including laboratory monitoring of blood levels of harmful metabolic products. Referral services for medical treatment and medical care are also provided, if needed.

Physicians performing tests as required by R.S. 40:1299.1 and having said tests done in the OPPHS Laboratory shall adhere to the following methodology:

1. Collection of the Specimen

Blood specimens shall be submitted on the Lab 10 form. These forms and instructions in their use are supplied to physicians and hospitals by the local parish health unit, dated with the current year's date. Outdated forms shall not be used.

2. Reporting of positive tests

Pursuant to R.S. 40:1299.1 physicians shall inform OPPHS of positive results by sending a report to OPPHS in writing to the Genetics Program, Room 612, Box 60630, New Orleans, LA. 70160 or by calling the office at (504) 568-5075. Cases may also be reported to the local parish health unit in each parish in the same manner.

II. Regional Genetics Clinics

A. Eligibility

All Louisiana residents are eligible to attend a Regional Genetics Clinic for genetic evaluation and counseling. These services are directed to the index patient and his/her family. The index patient is the person who brings the family to the attention of the geneticist.

B. Purpose and Scope

Regional genetics clinics have been established to provide genetics services to all areas of the state in settings accessible to the population.

Services provided at the genetics clinics include: genetic evaluation of the index patient and/or family and counseling regarding the impact of the disease on the individual and the family, the prognosis, the risk of recurrence, and the management of the disorder. Counseling services shall be provided in all state planning regions.

Anyone desiring to attend a genetics clinic may make an appointment by contacting his/her parish health unit. Residents of Orleans and Plaquemines Parish may call the central office at (504) 568-5075.

III. Insurance Collection

Insurance carriers shall be charged by the program for special formulas required for children with PKU and Maple Syrup Urine Disease (MSUD) which are dispensed by OPPHS and for clinic visits at Regional Genetics Clinics.

A. Cost for special formula is determined by actual charges made to OPPHS by the formula manufacturers plus a 25 percent fee for dispensing, shipping and delivery by OPPHS. These prices for the distribution of the three types of formulas as of January 1, 1985 are listed below:

Type of Formula	Quantity	Cost
Phenyl-Free	1 Case (6 cans)	$280.13
Lofenalac	1 Case (6 cans)	$208.35
MSUD	1 Case (6 cans)	$221.78

B. The cost for a clinic visit depends on the type of service rendered by the attending medical geneticist. The medical geneticist shall base his cost on the type of service level in accordance with the definitions found in the *Physician's Current Procedural Terminology Fourth Edition 1985* published by the American Medical Association and copyrighted 1984.

The prices associated with these levels of service are derived from average prices identified through a nationwide survey conducted by the Genetic Services Committee of the American Society of Human Genetics and found in their report of 1983, "Report on Costs and Payment for Genetic Services." The FY'86 DHHR economic indicator index for Medical Care (7.4 percent) is included in the respective prices which appear below:

First Clinic Visit for Genetic Evaluation and Counseling:

Limited	$49
Intermediate	$69
Comprehensive	$102
Complex	$128

Clinic Visit After Initial Visit For Genetic Evaluation and Counseling:

Limited	$27
Intermediate	$38
Extended	$62
Comprehensive	$69
Complex	$113

Genetic Counseling Only By a Medical Geneticist, Initial Or After Initial:

Standard	$61
Long	$90

A clinic visit is defined as a medical genetic evaluation and counseling session conducted by the medical geneticist with the index patient and his/her family members.

A charge for one service rendered to the index patient would be made to the third party payor. In cases where extended families are provided genetic counseling and two index patients are identified by the geneticist, one service charge will be made for each index patient.

IV. Genetic Diseases Program Advisory Committee:

A. The Genetic Diseases Program Advisory Committee is hereby created pursuant to federal recommendations and it shall be composed of members who are knowledgeable of Medical Genetic Disorders. On the recommendations of the Genetics Program staff and with the approval of the maternal and child health medical director, members shall be appointed by the assistant secretary of OPPHS. There shall be representation from all medical schools within the state.

The disciplines of genetics, pediatrics, obstetrics, and hematology shall be represented. Representation from OPPHS shall include but not be limited to nutrition, laboratory, social work, handicapped children's services, maternal and child health and the physicians connected with these programs. There shall be two consumer representatives.

B. The Committee shall meet as often as necessary to conduct its business in a timely fashion, but meetings shall be held at least once a year.

C. The meeting site shall be determined by the committee.

D. The committee shall:

1. Assist OPPHS in developing standards for the implementation of R.S. 40:1299 et seq. and in developing any new legislation affecting genetic services.

2. Consult with and assist OPPHS in setting policy and the scope of services.

3. Participate with OPPHS in developing and maintaining educational programs among health professionals and the lay public on the services offered by the Genetic Diseases Program and on genetic disorders.

4. Consult with OPPHS regarding the promulgation of rules and regulations necessary in the conduct of the Genetic Diseases Program.

Interested persons may submit comments at the following address: Daneta Daniel Bardsley, Ed.D, Assistant Secretary, Office of Preventive and Public Health Services, Department of Health and Human Resources, Box 60630, New Orleans, LA 70160.

Sandra L. Robinson, M.D., M.P.H.
Secretary and State Health Officer

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Genetic Diseases

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

The Genetic Diseases Program has been operating according to procedures contained in the Program's Procedural Manual which was printed and distributed in 1983. Many of the procedures involved in the delivery of services predate the distribution of the Manual by a number of years e.g., PKU in 1964, Sickle Cell in 1972, Hypothyroidism in 1979, Genetic Clinics in 1980 and Insurance Collection in 1983. Therefore, no fiscal impact due to the adoption of these rules will be realized.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

There will be no impact on state or local revenue collections. The Genetic Diseases Program currently receives third-party payments for the delivery of these services.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

There will be no impact on costs or benefits with the adoption of these rules.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

There will be no effect on competition and employment with the adoption of these rules.

Joseph O. Kimbrell
Deputy Assistant Secretary

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Department of Health and Human Resources
Office of the Secretary

The Department of Health and Human Resources proposes to adopt changes to the "Rate Setting for Residential Care System Manual." This proposed change is in accordance with La. R.S. 15:1081-1086 and 42 CFR 447.252 through 42 CFR 447.274. This revision is necessary to provide the Department with the flexibility to set rates at a lower level, should it become necessary.

PROPOSED AMENDMENTS TO THE
RATE SETTING FOR RESIDENTIAL CARE MANUAL

1. On page 3.3-6, change the third sentence of paragraph one of D.1. to "The inflation screen will be set after determining the change in the Consumer Price Index for all items, urban wage earners from December to December of the year prior to rate determination." Insert as the next sentence "The inflation screen will be set no lower than 0 percent." In the last sentence of the same paragraph, after the words "higher percentage," insert "or lower percentage." In the second paragraph of D.1, second sentence, after the words "higher percentage," insert "or lower percentage."

A public hearing on this proposed rule has been scheduled for Monday, May 6, 1985 at 1 p.m. in the Louisiana State Library Auditorium, 760 N. Riverside Mall, Baton Rouge, LA.

Interested persons may submit written comments on the proposed changes to the attention of Maxine M. Hanks, Rate Administrator, Box 3776, Baton Rouge, LA 70821.

Sandra L. Robinson, M.D., M.P.H.
Secretary and State Health Officer

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Inflation Screen

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

The proposed rule would allow more flexibility in setting rates. The potential savings resulting from use of a 0 percent inflation screen cannot be determined because the probable inflationary increase to be applied in setting rates for 1985-86 has not yet been decided.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

The effect on collections of federal Title XIX funds cannot be determined for reasons stated in I above.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

No costs and/or economic benefits to directly affected persons or non-governmental groups is anticipated.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

No effect on competition and employment is anticipated.

Sandra L. Robinson, M.D., M.P.H.
Secretary and State Health Officer

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Department of Health and Human Resources
Office of the Secretary

The Louisiana Department of Health and Human Resources (DHHR) intends to apply for Block Grant federal funding for FY 1985-86 in accordance with Public Law 97-35, the Omnibus Budget Reconciliation Act of 1981, and with federal regulations as set forth in the *Federal Register* Vol. 47, No. 129, Tuesday, July 6, 1982, pages 29472 - 29493. DHHR will continue to administer programs funded under the Block Grants in accordance with provisions set forth in Public Law 97-35 and the federal regulations.

The Block Grants and the DHHR Offices responsible for program admnistration are as follows:

1. Alcohol and Drug Abuse and Mental Health Services—Office of Mental Health (OMH) and Office of Prevention and Recovery of Alcohol and Drug Abuse (OPRADA). Inquiries and comments regarding Mental Health Services may be addressed to James W. Loe, M.D., Assistant Secretary, Office of Mental Health, Box 4049, Baton Rouge, LA 70821. The application is available for review at any OMH or OPRADA facility. Inquiries regarding Alcohol and Drug Abuse Services may be addressed to Vern Ridgeway, Box 53129, Baton Rouge, La. 70892.

2. Maternal and Child Health Services—Office of Preventive and Public Health Services (OPPHS). Inquiries and comments may be addressed to Daneta Bardsley, Ed.D., Assistant Secretary, Office of Preventive and Public Health Services, Box 60630, New Orleans, LA 70160. The application is available for review at any regional OPPHS facility.

3. Preventive Health and Health Services—Office of Preventive and Public Health Services (OPPHS). Inquiries and comments may be addressed to Daneta Bardsley, Ed.D., Assistant Secretary, Office of Preventive and Public Health Services, Box 60630, New Orleans, LA 70160. The application is available for review at any regional OPPHS facility.

4. Title XX Social Services—Office of Human Development (OHD). Inquiries and comments may be addressed to Melvin J. Meyers, Jr., Assistant Secretary, Office of Human Development, 1755 Florida Boulevard, Baton Rouge, LA 70802. The application is available for review at any OHD facility.

5. Low-Income Home Energy Assistance—Office of Family Security (OFS). Inquiries and comments may be addressed to Marjorie T. Stewart, Assistant Secretary, Office of Family Security, Box 44065, Baton Rouge, LA 70804. The application is available for review at any OFS facility.

A copy of each application may be obtained by writing directly to the DHHR Office responsible for administration. In addition, a copy of the application may be obtained by contacting the Governor's TIE LINE, Box 44004, Capitol Station, Baton Rouge, LA 70804, Phone: 1-800-272-9868.

Public hearings on Block Grant Applications for FY 1985-86 are scheduled as follows:

Schedule of Block Grant Hearings

Monday, May 20, 1985

State Insurance Building, 950 North Fifth Street, Plaza Floor Hearing Room, Baton Rouge, LA.

6:00 pm Title XX Social Services
6:30 pm Low-Income Home Energy Assistance
7:00 pm Alcohol, Drug Abuse and Mental Health Services
7:30 pm Maternal and Child Health Services
8:00 pm Preventive Health and Health Services

Tuesday, May 21, 1985

City Hall, 915 Third Street, Convention Hall, Alexandria, La.

6:00 pm Title XX Social Services
6:30 pm Low-Income Home Energy Assistance
7:00 pm Alcohol, Drug Abuse and Mental Health Services
7:30 pm Maternal and Child Health Services
8:00 pm Preventive Health and Health Services

Wednesday, May 22, 1985

LSU Medical Center, 1501 Kings Highway, Auditorium (Room 1-400), Shreveport, LA.

6:00 pm Title XX Social Services
6:30 pm Low-Income Home Energy Assistance
7:00 pm Alcohol, Drug Abuse and Mental Health Services
7:30 pm Maternal and Child Health Services
8:00 pm Preventive Health and Health Services

Thursday, May 23, 1985

E.A. Conway Hospital, 4801 S. Grand Street, Hospital Conference Room, Monroe, LA.

6:00 pm Title XX Social Services
6:30 pm Low-Income Home Energy Assistance
7:00 pm Alcohol, Drug Abuse and Mental Health Services
7:30 pm Maternal and Child Health Services
8:00 pm Preventive Health and Health Services

Tuesday, May 28, 1985

Orleans Parish OFS Building, Second Floor Auditorium, 2601 Tulane Avenue, New Orleans, LA.

6:00 pm Title XX Social Services
6:30 pm Low-Income Home Energy Assistance
7:00 pm Alcohol, Drug Abuse and Mental Health Services
7:30 pm Maternal and Child Health Services
8:00 pm Preventive Health and Health Services

Wednesday, May 29, 1985

Olin Moss Regional Hospital, 1000 Walters Street, Main Lecture Room, Lake Charles, LA.

6:00 pm Title XX Social Services
6:30 pm Low-Income Home Energy Assistance
7:00 pm Alcohol, Drug Abuse and Mental Health Services
7:30 pm Maternal and Child Health Services
8:00 pm Preventive Health and Health Services

Thursday, May 30, 1985

University Medical Center, 2390 W. Congress Street, Voohries Auditorium, Lafayette, LA.

6:00 pm Title XX Social Services
6:30 pm Low-Income Home Energy Assistance
7:00 pm Alcohol, Drug Abuse and Mental Health Services
7:30 pm Maternal and Child Health Services
8:00 pm Preventive Health and Health Services

At the public hearings all interested persons will have the opportunity to provide recommendations on the proposed Block Grant applications, orally or in writing. Written comments will be accepted through May 25, 1985.

Sandra L. Robinson, M.D., M.P.H.
Secretary and State Health Officer

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: ADAMHS Block Grant 85-86

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

The federal Alcohol, Drug Abuse and Mental Health Block Grant award to the State of Louisiana will increase $1,017,000 in Federal Fiscal Year 1985-86 from $4,648,000 to $5,665,000. The block grant will be fully implemented. Therefore implementation costs of the block grant will also increase by $1,017,000. Of the total increase, $860,280 will be available for increased alcohol and drug abuse services, and $156,720 will be available for increased mental health services. The block grant is a 100% federal grant. No state funding is required to match the increased federal funds.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

There will be no effect on revenue collections of state or local governmental units other than the $1,017,000 increase in the federal grant awarded to the Department of Health and Human Resources. This increase in federal funds may be translated into increased contract amounts or new contracts which may be entered into by the department with non-profit or local governmental units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

Funds may become available to local non-profit groups or local governmental units willing to provide services identified by the Office of Prevention and Recovery from Alcohol and Drug Abuse and the Office of Mental Health. Specific non-profit or local governmental units which may receive funding have not yet been identified; however, the new federal funds will allow for an increase in units of service to be provided.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

With additional federal funding available for service implementation in the community, employment and competition for service provision should be enhanced.

Vern C. Ridgeway
Assistant Secretary, OPRADA

James W. Loe
Assistant Secretary, OMH

Mark C. Drennen
Legislative Fiscal Officer

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: SSBG (SSA Title XX 1985-86)

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

Implementation cost of this plan is $53,523,938 which includes $51,882,569 in federal funds provided by the Social Service Block Grant and $1,641,369 in federal funds transferred to the Office of Human Development provided by the Low Income Energy Assistance Block Grant. The $53,523,938 in Social Service Block Grant funds include $13,944,411 of the Revised FFY 85 Louisiana allotment and $37,938,158 (or 74 percent) of the anticipated FFY 86 Louisiana allotment. Implementation costs of the plan have been reduced from the previous state fiscal year by $10,710,350. This reduction includes $9,349,297 in state general funds and $1,361,053 in federal funds and includes decreases in the following areas: $44,088 in professional services due to the elimination of a non-recurring expense, $3,909,182 in purchase of services, $4,643,944 in juvenile correction programs which were transferred to the Department of Public Safety and Corrections; and $2,113,136 in the Vendor Day Care Program. Of the $4,643,944 reduction representing programs transferred to the Department of Public Safety and Corrections, $3,367,715 has

been restored in State General Funds in the Division of Youth Services budget for SFY 1985-86.

There will be a net reduction in required State General Fund expenditures of $5,981,582 with the implementation of this plan.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

P.L. 98-135 enacted 10/24/83 increased the authorization for SSBG appropriation from $2.5 billion to $2.7 billion for FFY 84 and each succeeding fiscal year. Louisiana's FFY 85 allotment was revised from $48,710,721 to $50,584,210, an increase of $1,873,489 in FFY 85 funds. P.L. 98-473 enacted 10/12/84 increased the FFY 85 authorization and appropriation from $2.7 billion of $2.75 billion, the additional $25 million for training of child care services staff. Louisiana FFY 86 allotment published 10/22/84 is $50,927,746.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

Because of the $9,349,297 reduction in state general funds tied to the implementation of this plan in the previous fiscal year, some contract programs may be eliminated. Plan implementation will depend upon final state and federal appropriations made to the Office of Human Development. Therefore, it is impossible at this time to pinpoint services and those directly affected by service provisions that will be impacted by the proposed plan.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

Should contracts with private providers be eliminated, employment opportunities of those working with the providers will be affected. No effect is anticipated on competition.

Melvin Meyers, Jr.
Assistant Secretary

Mark C. Drennen
Legislative Fiscal Officer

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Low Income Home Energy Assistance Program

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

Based on the best available information, the LIHEAP allocation for Louisiana in 1986 will be $20,562,947. Of this amount, 10 percent will be transferred to the Title XX Social Services Block Grant ($2,056,295). A contract with the Department of Urban and Community Affairs will utilize 15 percent of the state's allotment for Weatherization services ($3,087,442). The remaining $15,419,210 is available for benefits and administrative costs.

Administrative costs are limited to 10 percent of the federal funds remaining after the transfer and contract identified above and are projected to be approximately $1,653,302.

Funds remaining for benefits to assist in meeting the costs of residential energy are $13,723,097.

All funds expended by the Office of Family Security for the Low Income Home Energy Assistance Program are federal funds. Expenditures in subsequent years are dependent on federal funding levels which are expected to be comparable to current allocations unless significant increases or reductions are authorized by Congress.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

$20,562,947 in federal funds will be available in 1986 for the state's use.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

Estimates obtained using data from the Office of Family Security's files indicates 183,700 households are potentially eligible for assistance. The estimated average benefit will be approximately $38 per eligible household twice per year. Total benefits are subject to adjustment based upon the state's actual appropriation and the number of households determined eligible for assistance.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

Competition and employment will not be noticeably affected by the Low Income Home Energy Assistance Program as benefits to eligible recipients will be applied to on-going current utility bills for the households. The economic impact is that the state will have an additional $20,562,947 in circulation by the low income consumer groups.

Marjorie T. Stewart
Assistant Secretary

Mark C. Drennen
Legislative Fiscal Officer

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Preventive Block 1986

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

Neither increase nor decrease in costs to implement is expected, as DHHR will continue to administer these programs in accordance with existing federal and state laws and regulations.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

OPPHS anticipates receiving $2,762,126 in federal funds for this block grant in fiscal year 1985-86. This level of funding, compares to $2,857,099 expected to be received during the current fiscal year.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

No direct effect is anticipated on patients, groups, units of local government or state agencies other than DHHR.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

No effect is anticipated on competition and employment.

Daneta D. Bardsley
Assistant Secretary

Mark C. Drennen
Legislative Fiscal Officer

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Maternal and Child Health Block Grant (FY'86)

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

This block was implemented in FY '82. Neither an increase nor a decrease in implementation costs is expected, as DHHR will continue to administer these programs in accordance with existing federal and state laws and regulations. No workload change is anticipated, as the same amounts and kinds of services are expected to be delivered.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

No effect on revenue collections is anticipated. Naturally, if the federal allotment to Louisiana for this block decreases, the state will be required to subsequently decrease the allotment to all programs covered under the block, but this is a factor beyond our control.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

No direct effect is anticipated on patients, groups, units of local government or state agencies other than DHHR.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

No effect is anticipated on competition and employment, as the same kinds and amounts of services are to be offered. Should the amount of federal funds eventually appropriated be at such a decreased level as to warrant reductions in staff, unemployment will result.

Daneta D. Bardsley
Assistant Secretary

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Department of Insurance
Commissioner of Insurance

The Department of Insurance intends to amend the following regulation, effective date June 20, 1985.

Amendment to Regulation 32 Coordination of Benefits (C.O.B.)

Amends Section 4C4, Replaces 4C4 AB and C

(4) For the purposes of item (3) of this Section C, the rules establishing the order of benefit determination are:

(a) The benefits of a plan which covers the person on whose expenses claim is based other than as a dependent shall be determined before the benefits of a plan which covers such person as a dependent;

(b) (i) Except for cases of a person for whom claim is made as a dependent child whose parents are separated or divorced, the benefits of a plan which covers the person on whose expenses claim is based as a dependent of a person whose date of birth, excluding year of birth, occurs earlier in a calendar year, shall be determined before the benefits of a plan which covers such person as a dependent of a person whose date of birth, excluding year of birth, occurs later in a calendar year. If either plan does not have the provisions of this Paragraph (b) (i) regarding dependents, which results either in each plan determining its benefits before the other or in each plan determining its benefits after the other, the provisions of this Paragraph (b) (i) shall not apply, and the rule set forth in the plan which does not have the provisions of this Paragraph (b) (i) shall determine the order of benefits.

(ii) In the case of a person for whom claim is made as a dependent child whose parents are separated or divorced and the parent with custody of the child has not remarried, the benefits of a plan which covers the child as a dependent of the parent with custody of the child will be determined before the benefits of a plan which covers the child as a dependent of the parent without custody.

(iii) In the case of a person for whom claim is made as a dependent child whose parents are divorced and the parent with custody of the child has remarried, the benefits of a plan which covers the child as a dependent of the parent with custody shall be determined before the benefits of a plan which covers that child as a dependent of the stepparent will be determined before the benefits of a plan which covers that child as a dependent of the parents without custody.

(iv) In the case of a person for whom claim is made as a dependent child whose parents are separated or divorced, where there is a court decree which would otherwise establish financial responsibility for the medical, dental or other health care expenses with respect to the child, then, notwithstanding Paragraphs (ii) and (iii) above, the benefits of a plan which covers the child as a dependent of the parent with such financial responsibility shall be determined before the benefits of any other plan which covers the child as a dependent child.

(c) When rules (a) and (b) do not establish an order of benefit determination, the benefits of a plan which has covered the person on whose expenses claim is based for the longer period of time shall be determined before the benefits of a plan which has covered such person the shorter period of time, provided that:

(i) The benefits of a plan covering the person on whose expenses claim is based as a laid-off or retired employee, or dependent of such person, shall be determined after the benefits of any other plan covering such person as an employee, other than a laid-off or retired employee, or dependent of such person; and

(ii) If either plan does not have a provision regarding laid-off or retired employees, which results in each plan determining its benefits after the other, then the provisions of (i) above shall not apply.

Interested persons may submit written comments regarding this proposed rule to John B. Fontenot, Office of the General Counsel, Box 94214, Baton Rouge, LA 70804-9214.

Sherman A. Bernard
Commissioner

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: C.O.B.

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

There are no estimated implementation costs (savings) to state or local governmental units.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

There is no estimated effect on revenue collections of state or local governmental units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

There are no estimated costs and/or economic benefits to directly affected persons or non-governmental groups.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

There is no estimated effect on competition and employment.

Sherman A. Bernard
Commissioner

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Department of Insurance
Commissioner of Insurance

The Department of Insurance intends to adopt the following:

UNIVERSAL LIFE INSURANCE MODEL REGULATION

Section 1. Authority

This regulation is promulgated under the authority of Title 22 Section 2 and Title 36 Section 682 of the insurance laws of the State of Louisiana and is effective June 20, 1985.

Section 2. Purpose

The purpose of this regulation is to supplement existing regulations on life insurance policies in order to accommodate the development and issuance of universal life insurance plans.

Section 3. Definitions

As used in this regulation:

(1) *Universal Life Insurance Policy* means any individual life insurance policy under the provisions of which separately identified interest credits (other than in connection with dividend accumulations, premium deposit funds, or other supplementary accounts) and mortality and expense charges are made to the policy. A universal life insurance policy may provide for other credits and charges, such as charges for the cost of benefits provided by rider.

(2) *Flexible Premium Universal Life Insurance Policy* means a universal life insurance policy which permits the policyowner to vary, independently of each other, the amount or timing of one or more premium payments or the amount of insurance.

(3) *Fixed Premium Universal Life Insurance Policy* means a universal life insurance policy other than a flexible premium universal life insurance policy.

(4) *Interested-indexed universal life insurance policy* means any universal life insurance policy where the interest credits are linked to an external referent.

(5) *Net Cash Surrender Value* means the maximum amount payable to the policyowner upon surrender.

(6) *Cash Surrender Value* means the Net Cash Surrender Value plus any amounts outstanding as policy loans.

(7) *Policy Value* means the amount to which separately identified interest credits and mortality, expense, or other charges are made under a universal life insurance policy.

(8) *May* is permissive.

(9) *Shall* is mandatory.

(10) *Commissioner* means the insurance commissioner of this state.

Section 4. Scope

This regulation encompasses all individual universal life insurance policies except those policies defined under Article II, Section 19 of the NAIC Model Variable Life Insurance Regulation.

Section 5. Valuation

A. Requirements

The minimum valuation standard for universal life insurance policies shall be the commissioner's reserve valuation method, as described below for such policies, and the tables and interest rates specified below. The terminal reserve for the basic policy and any benefits and/or riders for which premiums are not paid separately as of any policy anniversary shall be equal to the net level premium reserves less (C) and less (D), where: Reserves by the net level premium method shall be equal to ((A) − (B)) r where (A), (B) and "r" are as defined below:

(A) Is the present value of all future guaranteed benefits at the date of valuation.

(B) Is the quantity $\frac{\text{PVFB}}{\ddot{a}_x}\ddot{a}_{x+t}$ where PVFB is the present value of all benefits guaranteed at issue assuming future guaranteed maturity premiums are paid by the policyowner and taking into account all guarantees contained in the policy or declared by the insurer.

$\ddot{a}_x$ and $\ddot{a}_{x+t}$ are present values of an annuity of one per year payable on policy anniversaries beginning at age x and x + t, respectively, and continuing until the highest attained age at which a premium may be paid under the policy. The letter "x" is defined as the issue age and the letter "t" is defined as the duration of the policy.

The guaranteed maturity premium for flexible premium universal life insurance policies shall be that level gross premium, paid at issue and periodically thereafter over the period during which premiums are allowed to be paid, which will mature the policy on the latest maturity date, if any, permitted under the policy (otherwise at the highest age in the valuation mortality table), for an amount which is in accordance with the policy structure.[1] The guaranteed maturity premium for fixed premium universal life insurance policies shall be the premium defined in the policy which at issue provides the minimum policy guarantees.[2]

The letter "r" is equal to one, unless the policy is a flexible premium policy and the policy value is less than the guaranteed maturity fund, in which case "r" is the ratio of the policy value to the guaranteed maturity fund.

The guaranteed maturity fund at any duration is the amount which, together with future guaranteed maturity premiums, will mature the policy based on all policy guarantees at issue.

(C) is the quantity (a) − (b) $\ddot{a}_{x+t}$, where (a) − (b) is as described in [Section Four of the Standard Valuation Law, as amended in 1980] for the plan of insurance defined at issue by the guaranteed maturity premiums and all guarantees contained in the policy or declared by the insurer.

$\ddot{a}_{x+t}$ and $\ddot{a}_x$ are defined in (B) above.

(D) is the sum of any additional quantities analogous to (C) which arise because of structural changes[3] in the policy, with each such quantity being determined on a basis consistent with that of (C) using the maturity date in effect at the time of the change.

The guaranteed maturity premium, the guaranteed maturity fund and (B) above shall be recalculated to reflect any structural changes in the policy. This recalculation shall be done in a manner consistent with the descriptions above.

Future guaranteed benefits are determined by (1) projecting the greater of the guaranteed maturity fund and the policy value, taking into account future guaranteed maturity premiums, if any, and using all guarantees of interest, mortality, expense deductions, etc., contained in the policy or declared by the insurer; and (2) taking into account any benefits guaranteed in the policy or by declaration which do not depend on the policy value.

All present values shall be determined using (i) an interest rate (or rates) specified by the [Standard Valuation Law, as amended in 1980] for policies issued in the same year; (ii) the mortality rates specified by the [Standard Valuation Law, as amended in 1980] for policies issued in the same year or contained in such other table as may be approved by the commissioner for this purpose; and (iii) any other tables needed to value supplementary benefits provided by a rider which is being valued together with the policy.

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1. The maturity amount shall be the initial death benefit where the death benefit is level over the lifetime of the policy except for the existence of a minimum-death-benefit corridor, or, shall be the specified amount where the death benefit equals a specified amount plus the policy value or cash surrender value except for the existence of a minimum-death-benefit corridor.

2. The guaranteed maturity premium for both flexible and fixed premium policies shall be adjusted for death benefit corridors provided by the policy. The guaranteed maturity premium may be less than the premium necessary to pay all charges. This can especially happen in the first year for policies with large first year expense charges.

3. Structural changes are those changes which are separate from the automatic workings of the policy. Such changes usually would be initiated by the policyowner and include changes in the guaranteed benefits, changes in latest maturity date, or changes in allowable premium payment period.

B. Alternative Minimum Reserves

If, in any policy year, the guaranteed maturity premium on any universal life insurance policy is less than the valuation net premium for such policy, calculated by the valuation method actually used in calculating the reserve thereon but using the minimum valuation standards of mortality and rate of interest, the minimum reserve required for such contract shall be the greater of (1) or (2).

(1) The reserve calculated according to the method, the mortality table, and the rate of interest actually used.

(2) The reserve calculated according to the method actually used but using the minimum valuation standards of mortality and rate of interest and replacing the valuation net premium by the guaranteed maturity premium in each policy year for which the valuation net premium exceeds the guaranteed maturity premium.

For universal life insurance reserves on a net level premium basis, the valuation net premium is $\frac{PVFB}{\ddot{a}_x}$

and for reserves on a commissioner's reserve valuation method, the valuation net premium is

$$\frac{PVFB}{\ddot{a}_x} + \frac{(a) - (b)}{\ddot{a}_x}$$

Valuation Method, the valuation net premium is

$$\frac{PVFB}{\ddot{a}_x} + \frac{(a) - (b)}{\ddot{a}_x}$$

Section 6. Nonforfeiture

A. Minimum Cash Surrender Values for Flexible Premium Universal Life Insurance Policies

Minimum cash surrender values for flexible premium universal life insurance policies shall be determined separately for the basic policy and any benefits and riders for which premiums are paid separately. The following requirements pertain to a basic policy and any benefits and riders for which premiums are not paid separately.

The minimum cash surrender value (before adjustment for indebtedness and dividend credits) available on a date as of which interest is credited to the policy shall be equal to the accumulation to that date as of which interest is credited to the policy shall be equal to the accumulation to that date of the premiums paid minus the accumulations to that date of (i) the benefit charges, (ii) the averaged administrative expense charges for the first policy year and any insurance increase years, (iii) actual administrative expense charges for other years, (iv) initial and additional acquisition expense charges not exceeding the initial or additional expense allowances, respectively, (v) any service charges actually made (excluding charges for cash surrender or election of a paid-up nonforfeiture benefit) and (vi) any deductions made for partial withdrawals; all accumulations being at the actual rate or rates of interest at which interest credits have been made unconditionally to the policy (or have been made conditionally, but for which the conditions have since been met), and minus any unamortized unused initial and additional expense allowances.

Interest on the premiums and on all charges referred to in items (i)-(vi) above shall be accumulated from and to such dates as are consistent with the manner in which interest is credited in determining the policy value.

The benefit charges shall include the charges made for mortality and any charges made for riders or supplementary benefits for which premiums are not paid separately. If benefit charges are substantially level by duration and develop low or no cash values, then the commissioner shall have the right to require higher cash values unless the insurer provides adequate justification that the cash values are appropriate in relation to the policy's other characteristics.[4]

The administrative expense charges shall include charges per premium payment, charges per dollar of premium paid, periodic charges per thousand dollars of insurance, periodic per policy charges, and any other charges permitted by the policy to be imposed without regard to the policyowner's request for services.

The averaged administrative expense charges for any year shall be those which would have been imposed in that year if the charge rate or rates for each transaction or period within the year had been equal to the arithmetic average of the corresponding charge rates which the policy states will be imposed in policy years two through twenty in determining the policy value.

The initial acquisition expense charges shall be the excess of the expense charges, other than service charges, actually made in the first policy year over the averaged administrative expense charges for that year. Additional acquisition expense charges shall be the excess of the expense charges, other than service charges, actually made in an insurance-increase year over the averaged administrative expense charges for that year. An insurance-increase year shall be the year beginning on the date of increase in the amount of insurance by policyowner request (or by the terms of the policy).

Service charges shall include charges permitted by the policy to be imposed as the result of a policyowner's request for a service by the insurer (such as the furnishing of future benefit illustrations) or of special transactions.

The initial expense allowance shall be the allowance provided by [items (ii), (iii) and (iv) of Section 5] or by [items (ii) and (iii) of Section 5-c(1)], as applicable, of the [Standard Non-forfeiture Law for life insurance, as amended in 1980] for a fixed premium, fixed benefit endowment policy with a face amount equal to the initial face amount of the flexible premium universal life insurance policy, with level premiums paid annually until the highest attained age at which a premium may be paid under the flexible premium universal life insurance policy, and maturing on the latest maturity date permitted under the policy, if any, otherwise at the highest age in the valuation mortality table. The unused initial expense allowance shall be the excess, if any, of the initial expense allowance over the initial acquisition expense charges as defined above.

If the amount of insurance is subsequently increased upon request of the policyowner (or by the terms of the policy), an additional expense allowance and an unused additional expense allowance shall be determined on a basis consistent with the above and with [Section 5-c(5) of the Standard Nonforfeiture Law for Life Insurance, as amended in 1980], using the face amount and the latest maturity date permitted at the time under the policy.

The unamortized unused initial expense allowance during the policy year beginning on the policy anniversary at age $x+t$ (where "x" is the same issue age) shall be the unused initial expense allowance multiplied by

$\frac{\ddot{a}_{x+t}}{\ddot{a}_x}$ where $\ddot{a}_{x+t}$ and $\ddot{a}_{x+t}$ and $\ddot{a}_x$

are present values of an annuity of one per year payable on policy anniversaries beginning at ages $x + t$ and x, respectively, and con-

4. Because this product is still developing, it is recommended that benefit charges not be restricted and regulatory treatment of cash values be limited to that contained in this Section for several reasons. First, further restrictions would limit the development of the product. Second, added restrictions would discourage insurers from reducing non-guaranteed current benefit charges because such reductions could require reduced future benefit charges that could be financially unsound for the insurer. Third, market pressures will encourage insurers to limit benefit charges.

tinuing until the highest attained age at which a premium may be paid under the policy, both on the mortality and interest bases guaranteed in the policy. An unamortized unused additional expense allowance shall be the unused additional expense allowance multiplied by a similar ratio of annuities, with ax replaced by an annuity beginning on the date as of which the additional expense allowance was determined.

B. Minimum Cash Surrender Values for Fixed Premium Universal Life Insurance Policies

For fixed premium universal life insurance policies, the minimum cash surrender values shall be determined separately for the basic policy and any benefits and riders for which premiums are paid separately. The following requirements pertain to a basic policy and any benefits and riders for which premiums are not paid separately.

The minimum cash surrender value (before adjustment for indebtedness and dividend credits) available on a date as of which interest is credited to the policy shall be equal to ((A) − (B) − (C) − (D)), where:

(A) is the present value of all future guaranteed benefits.

(B) is the present value of future adjusted premiums. The adjusted premiums are calculated as described in [Sections 5 and 5-a or in paragraph (1) of Section 5-c], as applicable, of [the Standard Nonforfeiture Law for life insurance, as amended in 1980]. If Section 5 - c, Paragraph (1) is applicable, the nonforfeiture net level premium is equal to the quantity

$$\frac{\text{PVFB}}{\ddot{a}_x}$$

where PVFB is the present value of all benefits guaranteed at issue assuming future premiums are paid by the policyowner and all guarantees contained in the policy or declared by the insurer.

$\ddot{a}_x$ is the present value of an annuity of one per year payable on policy anniversaries beginning at age x and continuing until the highest attained age at which a premium may be paid under the policy.

(C) is the present value of any quantities analogous to the nonforfeiture net level premium which arise because of guarantees declared by the insurer after the issue date of the policy. $\ddot{a}_x$ shall be replaced by an annuity beginning on the date as of which the declaration became effective and payable until the end of the period covered by the declaration.

(D) is the sum of any quantities analogous to (B) which arise because of structural changes[5] in the policy.

Future guaranteed benefits are determined by (1) projecting the policy value taking into account future premiums, if any, and using all guarantees of interest, mortality, expense deductions, etc., contained in the policy or declared by the insurer; and (2) taking into account any benefits guaranteed in the policy or by declaration which do not depend on the policy value.

All present values shall be determined using (i) an interest rate (or rates) specified by [the Standard Nonforfeiture Law for Life Insurance, as amended in 1980] for policies issued in the same year and (ii) the mortality rates specified by [the Standard Nonforfeiture Law for Life Insurance, as amended in 1980] for policies issued in the same year or contained in such other table as may be approved by the commissioner for this purpose.

C. Minimum Paid-Up Nonforfeiture Benefits

If a universal life insurance policy provides for the optional election of a paid-up nonforfeiture benefit, it shall be such that its present value shall be at least equal to the cash surrender value provided for by the policy on the effective date of the election. The present value shall be based on mortality and interest standards at least as favorable to the policyowner as (1) in the case of a flexible premium universal life insurance policy, the mortality and interest basis guaranteed in the policy for determining the policy value, or (2) in the case of a fixed premium policy the mortality and interest standards permitted for paid-up nonforfeiture benefits by [the Standard Nonforfeiture Law for Life Insurance, as amended in 1980]. In lieu of the paid-up nonforfeiture benefit, the insurer may substitute, upon proper request not later than 60 days after the due date of the premium in default, an actuarially equivalent alternative paid-up nonforfeiture benefit which provides a greater amount or longer period of death benefits, or, if applicable, a greater amount or earlier payment of endowment benefits.

Section 7. Mandatory Policy Provisions

The policy shall provide the following:

A. Periodic Disclosure to Policyowner

The policy shall provide that the policyowner will be sent, without charge, at least annually, a report which will serve to keep such policyowner advised as to the status of the policy. The end of the current report period must be not more than three months previous to the date of the mailing of the report. Specific requirements of this report are detailed in Section 9.

B. Illustrative Reports

The policy shall provide for an illustrative report which will be sent to the policyowner upon request. Minimum requirements of such report are the same as those set forth in Section 8. The insurer may charge the policyowner a reasonable fee for providing the report.

C. Policy Guarantees

The policy shall provide guarantees of minimum interest credits and maximum mortality and expense charges. All values and data shown in the policy shall be based on guarantees. No figures based on nonguarantees shall be included in the policy.

D. Calculation of Cash Surrender Values

The policy shall contain at least a general description of the calculation of cash surrender values including the following information:

1. The guaranteed maximum expense charges and loads.
2. Any limitation on the crediting of additional interest. Interest credits shall not remain conditional for a period longer than 24 months.
3. The guaranteed minimum rate or rates of interest.
4. The guaranteed maximum mortality charges.
5. Any other guaranteed charges.
6. Any surrender or partial withdrawal charges.

E. Changes in Basic Coverage

If the policyowner has the right to change the basic coverage, any limitation on the amount or timing of such change shall be stated in the policy. If the policyowner has the right to increase the basic coverage, the policy shall state whether a new period of contestability and/or suicide is applicable to the additional coverage.

F. Grace Period and Lapse

The policy shall provide for written notice to be sent to the policyowner's last known address at least thirty days prior to termination of coverage. A flexible premium policy shall provide for a grace period of at least thirty days (or as required by state statute) after lapse. Unless otherwise defined in the policy, lapse shall occur on that date on which the net cash surrender value first equals zero.

G. Misstatement of Age or Sex

If there is a misstatement of age or sex in the policy, the amount of death benefit shall be that which would be purchased by the most recent mortality charge at the correct age or sex. The commissioner may approve other methods which are deemed satisfactory.

5. See footnote 3.

H. Maturity Date

If a policy provides for a "maturity date", "end date", or similar date, then the policy shall also contain a statement, in close proximity to that date, that it is possible that coverage may not continue to the maturity date even if scheduled premiums are paid in a timely manner, if such is the case.

Section 8. Disclosure Requirements

In connection with any advertising, solicitation, negotiation, or procurement of a university life insurance policy:

A. Any statement of policy cost factors or benefits shall contain:

1. The corresponding guaranteed policy cost factors or benefits, clearly identified.

2. A statement explaining the nonguaranteed nature of any current interest rates, charges, or other fees applied to the policy, including the insurer's rights to alter any of these factors.

3. Any limitations on the crediting of interest, including identification of those portions of the policy to which a specified interest rate shall be credited.

B. Any illustration of the policy value shall be accompanied by the corresponding net cash surrender value.

C. Any statement regarding the crediting of a specific current interest rate shall also contain the frequency and timing by which such rate is determined.

D. If any statement refers to the policy being interest-indexed, the index shall be described. In addition, a description shall be given of the frequency and timing of determining the interest rate and of any adjustments made to the index in arriving at the interest rate credited under the policy.

E. Any illustrated benefits based upon nonguaranteed interest, mortality, or expense factors shall be accompanied by a statement indicating that these benefits are not guaranteed.

F. If the guaranteed cost factors or initial policy cost factor assumptions would result in policy values becoming exhausted prior to the policy's maturity date, such fact shall be disclosed, including notice that coverage will terminate under such circumstances.

Section 9. Periodic Disclosure to Policyowner

A. Requirements

The policy shall provide that the policyowner will be sent, without charge, at least annually, a report which will serve to keep such policyowner advised of the status of the policy. The end of the current report period shall be not more than three months previous to the date of the mailing of the report. Such report shall include the following:

1. The beginning and end of the current report period.

2. The policy value at the end of the previous report period and at the end of the current report period.

3. The total amounts which have been credited or debited to the policy value during the current report period, identifying each by type (e.g., interest, mortality, expense and riders).

4. The current death benefit at the end of the current report period on each life covered by the policy.

5. The net cash surrender value of the policy as of the end of the current report period.

6. The amount of outstanding loans, if any, as of the end of the current report period.

7. For fixed premium policies—If, assuming guaranteed interest, mortality and expense loads and continued scheduled premium payments, the policy's net cash surrender value is such that it would not maintain insurance in force until the end of the next reporting period, a notice to this effect shall be included in the report.

8. For flexible premium policies—If, assuming guaranteed interest, mortality and expense loads, the policy's net cash surrender value will not maintain insurance in force until the end of the next reporting period unless further premium payments are made, a notice to this effect shall be included in the report.

Section 10. Interest-Indexed Universal Life Insurance Policies

A. Initial Filing Requirements

The following information shall be submitted in connection with any filing of interest-indexed universal life insurance policies ("interest-indexed policies"). All such information received shall be treated confidentially to the extent permitted by law.

1. A description of how the interest credits are determined, including

a. a description of the index;

b. the relationship between the value of the index and the actual interest rate to be credited;

c. the frequency and timing of determining the interest rate;

d. the allocation of interest credits, if more than one rate of interest applies to different portions of the policy value.

2. The insurer's investment policy, which includes a description of the following:

a. how the insurer addressed the reinvestment risks;

b. how the insurer plans to address the risk of capital loss on cash outflows;

c. how the insurer plans to address the risk that appropriate investments may not be available or not available in sufficient quantities;

d. how the insurer plans to address the risk that the indexed interest rate may fall below the minimum contractual interest rate guaranteed in the policy;

e. the amount and type of assets currently held for interest indexed policies;

f. the amount and type of assets expected to be acquired in the future.

3. If policies are linked to an index for a specified period less than to the maturity date of the policy, a description of the method used (or currently contemplated) to determine interest credits upon the expiration of such period.

4. A description of any interest guarantee in addition to or in lieu of the index.

5. A description of any maximum premium limitations and the condition under which they apply.

B. Additional Filing Requirements

1. Annually, every insurer shall submit a Statement of Actuarial Opinion by the insurer's actuary similar to the example contained in Section 10(C).

2. Annually, every insurer shall submit a description of the amount and type of assets currently held by the insurer with respect to its interest-indexed policies.

3. Prior to implementation, every domestic insurer shall submit a description of any material change in the insurer's investment strategy or method of determining the interest credits. A change is considered to be material if it would affect the form or definition of the index (i.e., any change in the information supplied in Section A above) or if it would significantly change the amount or type of assets held for interest-indexed policies.

C. Statement of Actuarial Opinion for Interest-Indexed Universal Life Insurance Policies

I, _____,
(Name)

am _____
(position or relationship to Insurer)

for the XYZ Life Insurance Company (The Insurer) in the state of

_____
(State of Domicile of Insurer)

I am a member of the American Academy of Actuaries (or if not, state other qualifications to sign annual statement actuarial opinions).

I have examined the interest-indexed universal life insur-

ance policies of the Insurer in force as of December 31, 19xx, encompassing _____ number of policies and $ _____ of insurance in force.

I have considered the provisions of the policies. I have considered any reinsurance agreements pertaining to such policies, the characteristics of the identified assets and the investment policy adopted by the insurer as they affect future insurance and investment cash flows under such policies and related assets. My examination included such tests and calculations as I considered necessary to form an opinion concerning the insurance and investment cash flows arising from the policies and related assets.

I relied on the investment policy of the insurer and on projected investment cash flows as provided by _____, chief investment officer of the insurer.[6]

The tests were conducted under various assumptions as to future interest rates, and particular attention was given to those provisions and characteristics that might cause future insurance and investment cash flows to vary with changes in the level of prevailing interest rates. In my opinion, the anticipated insurance and investment cash flows referred to above make good and sufficient provision for the contractual obligations of the insurer under these insurance policies.

_____

Signature of Actuary

Interested persons may submit written comments regarding this proposed rule to John B. Fontenot, Officer of the General Counsel, Box 94214, Baton Rouge, LA 70804-9214.

Sherman A. Bernard
Commissioner

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Universal Life

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)
None

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)
None

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)
None

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)
None

Sherman A. Bernard
Commissioner

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Department of Insurance
Commissioner of Insurance

The Department of Insurance intends to adopt the following regulation.

VARIABLE LIFE INSURANCE MODEL REGULATION

ARTICLE I: AUTHORITY & PURPOSE

Section I. Authority and Purpose.

The following regulations applicable to variable life insurance policies are promulgated under the authority of Title 22, Section 2, of the Insurance Laws of Louisiana and Title 36 Section 682 and are effective June 20, 1985.

The purpose is to implement special guidelines regarding insurers underwriting, reserve requirements, soliciting and issuing variable life insurance contracts. Due to flexibility of product more regulatory control must be maintained. Also there are tax advantages for life companies.

ARTICLE II: DEFINITIONS

As used in this regulation:

Section 1. Affiliate.

"Affiliate" of an insurer means any person, directly or indirectly, controlling, controlled by, or under common control with such insurer; any person who regularly furnishes investment advice to such insurer with respect to its separate accounts for which a specific fee or commission is charged; or any director, officer, partner, or employee of any such insurers, controlling or controlled person, or person providing investment advice or any member of the immediate family of such person.

Section 2. Agent.

"Agent" means any person, corporation, partnership, or other legal entity which is licensed by this state as a life insurance agent.

Section 3. Assumed Investment Rate.

"Assumed investment rate" means the rate of investment return which would be required to be credited to a variable life insurance policy, after deduction of charges for taxes, investment expenses, and mortality and expense guarantees to maintain the variable death benefit equal at all times to the amount of death benefit, other than incidental insurance benefits, which would be payable under the plan of insurance if the death benefit did not vary according to the investment experience of the separate account.

Section 4. Benefit Base.

"Benefit base" means the amount, to which the net investment return is applied.

Section 5. Commissioner.

"Commissioner" means the Insurance Commissioner of this state.

Section 6. Control.

"Control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing more than 10 percent of the voting securities of any other person. This presumption may be rebutted by a showing made to the satisfaction of the commissioner that control does not exist in fact. The commissioner may determine, after furnishing all persons in interest notice and opportunity to be heard and making specific findings of fact to support such determination, that control exists in fact, notwithstanding the absence of a presumption to that effect.

Section 7. Flexible Premium Policy.

"Flexible premium policy" means any variable life insurance policy other than a scheduled premium policy as specified in Section 15 of this Article II.

Section 8. General Account.

"General account" means all assets of the insurer other than assets in separate accounts established pursuant to Section 1500 of the Insurance Laws of this state, or pursuant to the correspond-

6. If the actuary does not choose to rely on an investment officer for the projected investment cash flows, this statement should be modified to show the extent of the actuary's reliance.

ing section of the Insurance Laws of the state of domicile of a foreign or alien insurer, whether or not for variable life insurance.

Section 9. Incidental Insurance Benefit.

"Incidental insurance benefit" means all insurance benefits in a variable life insurance policy, other than the variable death benefit and the minimum death benefit, including but not limited to accidental death and dismemberment benefits, disability benefits, guaranteed insurability options, family income, or term riders.

Section 10. May.

"May" is permissive.

Section 11. Minimum Death Benefit.

"Minimum death benefit" means the amount of the guaranteed death benefit, other than incidental insurance benefits, payable under a variable life insurance policy regardless of the investment performance of the separate account.

Section 12. Net Investment Return.

"Net investment return" means the rate of investment return in a separate account to be applied to the benefit base.

Section 13. Person.

"Person" means an individual, corporation, partnership, association, trust, or fund.

Section 14. Policy Processing Day.

"Policy processing day" means the day on which charges authorized in the policy are deducted from the policy's cash value.

Section 15. Scheduled Premium Policy.

"Scheduled premium policy" means any variable life insurance policy under which both the amount and timing of premium payments are fixed by the insurer.

Section 16. Separate Account.

"Separate account" means a separate account established pursuant to Section 1500 of the insurance laws of this state or pursuant to the corresponding Section of the insurance laws of the state of domicile of a foreign or alien insurer.

Section 17. Shall.

"Shall" is mandatory.

Section 18. Variable Death Benefit.

"Variable death benefit" means the amount of the death benefit, other than incidental insurance benefits, payable under a variable life insurance policy dependent on the investment performance of the separate account, which the insurer would have to pay in the absence of any minimum death benefit.

Section 19. Variable Life Insurance Policy.

"Variable life insurance policy" means any individual policy which provides for life insurance the amount or duration of which varies according to the investment experience of any separate account or accounts established and maintained by the insurer as to such policy, pursuant to Section 1500 of the insurance laws of this state or pursuant to the corresponding section of the insurance laws of the state of domicile of a foreign or alien insurer.

ARTICLE III: QUALIFICATION OF INSURER TO ISSUE VARIABLE LIFE INSURANCE

The following requirements are applicable to all insurers either seeking authority to issue variable life insurance in this state or having authority to issue variable life insurance in this state.

Section 1. Licensing and Approval to Do Business in This State.

An insurer shall not deliver or issue for delivery in this state any variable life insurance policy unless:

a. The insurer is licensed or organized to do a life insurance business in this state;

b. The insurer has obtained the written approval of the commissioner for the issuance of variable life insurance policies in this state. The commissioner shall grant such written approval only after he has found that:

(1) the plan of operation for the issuance of variable life insurance policies is not unsound;

(2) the general character, reputation, and experience of the management and those persons or firms proposed to supply consulting, investment, administrative, or custodial services to the insurer are such as to reasonably assure competent operation of the variable life insurance business of the insurer in this state; and

(3) the present and foreseeable future financial condition of the insurer and its method of operation in connection with the issuance of such policies is not likely to render its operation hazardous to the public or its policyholders in this state. The commissioner shall consider, among other things:

(A) the history of operation and financial condition of the insurer;

(B) the qualifications, fitness, character, responsibility, reputation, and experience of the officers and directors and other management of the insurer and those persons or firms proposed to supply consulting, investment, administrative, or custodial services to the insurer;

(C) the applicable law and regulations under which the insurer is authorized in its state of domicile to issue variable life insurance policies. The state of entry of an alien insurer shall be deemed its state of domicile for this purpose; and

(D) if the insurer is a subsidiary of, or is affiliated by common management or ownership with another company, its relationship to such other company and the degree to which the requesting insurer, as well as the other company, meet these standards.

Section 2. Filing for Approval to do Business in This State.

The commissioner may, at his discretion, require that an insurer, before it delivers or issues for delivery any variable life insurance policy in this state, file with this department the following information for the consideration of the commissioner in making the determination required by Section 1, Subsection b of this Article:

a. copies of and a general description of the variable life insurance policies it intends to issue;

b. a general description of the methods of operation of the variable life insurance business of the insurer, including methods of distribution of policies and the names of those persons or firms proposed to supply consulting, investment, administrative, custodial or distribution services to the insurer;

c. with respect to any separate account maintained by an insurer for any variable life insurance policy, a statement of the investment policy the issuer intends to follow for the investment of the assets held in such separate account, and a statement of procedures for changing such investment policy. The statement of investment policy shall include a description of the investment objectives intended for the separate account;

d. a description of any investment advisory services contemplated as required by Section 10 of Article VI;

e. a copy of the statutes and regulations of the state of domicile of the insurer under which it is authorized to issue variable life insurance policies; and

f. biographical data with respect to officers and directors of the insurer on the National Association of Insurance Commissioners Uniform Biographical Data Form; and

g. a statement of the insurer's actuary describing the mortality and expense risks which the insurer will bear under the policy.

Section 3. Standards of Suitability.

Every insurer seeking approval to enter into the variable life insurance business in this state shall establish and maintain a written statement specifying the Standards of Suitability to be used by the insurer. Such Standards of Suitability shall specify that no rec-

ommendations shall be made to an applicant to purchase a variable life insurance policy and that no variable life insurance policy shall be issued in the absence of reasonable grounds to believe that the purchase of such policy is not unsuitable for such applicant on the basis of information furnished after reasonable inquiry of such applicant concerning the applicant's insurance and investment objectives, financial situation and needs, and any other information known to the insurer or to the agent making the recommendation.

Section 4. Use of Sales Materials.

An insurer authorized to transact variable life insurance business in this state shall not use any sales material, advertising material, or descriptive literature or other materials of any kind in connection with its variable life insurance business in this state which is false, misleading, deceptive, or inaccurate.

Section 5. Requirements Applicable to Contractual Services.

Any material contract between an insurer and suppliers of consulting, investment, administrative, sales, marketing, custodial, or other services with respect to variable life insurance operations shall be in writing and provide that the supplier of such services shall furnish the commissioner with any information or reports in connection with such services which the commissioner may request in order to ascertain whether the variable life insurance operations of the insurer are being conducted in a manner consistent with these regulations and any other applicable law or regulations.

Section 6. Reports to the Commissioner.

Any insurer authorized to transact the business of variable life insurance in this state shall submit to the commissioner, in addition to any other materials which may be required by this regulation or any other applicable laws or regulations:

a. an Annual Statement of the business of its separate account or accounts in such form as may be prescribed by the National Association of Insurance Commissioners; and

b. prior to the use in this state any information furnished to applicants as provided for in Article VII; and

c. prior to the use in this state the form of any of the Reports to Policyholders as provided for in Article IX; and

d. such additional information concerning its variable life insurance operations or its separate accounts as the commissioner shall deem necessary.

Any material submitted to the commissioner under this Section shall be disapproved if it is found to be false, misleading, deceptive, or inaccurate in any material respect and, if previously distributed, the commissioner shall require the distribution of amended material.

Section 7. Authority of Commissioner to Disapprove.

Any material required to be filed with and approved by the commissioner shall be subject to disapproval if at any time is found by him not to comply with the standards established by this regulation.

ARTICLE IV: INSURANCE POLICY REQUIREMENTS

Policy Qualification. The commissioner shall not approve any variable life insurance form filed pursuant to this regulation unless it conforms to the requirements of this Article.

Section 1. Filing of Variable Life Insurance Policies.

All variable life insurance policies, and all riders, endorsements, applications and other documents which are to be attached to and made a part of the policy and which relate to the variable nature of the policy, shall be filed with the commissioner and approved by him prior to delivery or issuance for delivery in this state.

a. The procedures and requirements for such filing and approval shall be, to the extent appropriate and not inconsistent with this regulation, the same as those otherwise applicable to other life insurance policies.

b. The commissioner may approve variable life insurance policies and related forms with provisions the commissioner deems to be not less favorable to the policyholder and the beneficiary than those required by this regulation.

Section 2. Mandatory Policy Benefit and Design Requirements.

Variable life insurance policies delivered or issued for delivery in this state shall comply with the following minimum requirements.

a. Mortality and expense risks shall be borne by the insurer. The mortality and expense charges shall be subject to the maximums stated in the contract.

b. For scheduled premium policies, a minimum death benefit shall be provided in an amount at least equal to the initial face amount of the policy so long as premiums are duly paid (subject to the provisions of Section 4 of this Article);

c. The policy shall reflect the investment experience of one or more separate accounts established and maintained by the insurer. The insurer must demonstrate that the variable life insurance policy is actuarially sound.

d. Each variable life insurance policy shall be credited with the full amount of the net investment return applied to the benefit base.

e. Any changes in variable death benefits of each variable life insurance policy shall be determined at least annually.

f. The cash value of each variable life insurance policy shall be determined at least monthly. The method of computation of cash values and other non-forfeiture benefits, as described either in the policy or in a statement filed with the commissioner of the state in which the policy is delivered, or issued for delivery, shall be in accordance with actuarial procedures that recognize the variable nature of the policy. The method of computation must be such that, if the net investment return credited to the policy at all times from the date of issue should be equal to the assumed investment rate with premiums and benefits determined accordingly under the terms of the policy, then the resulting cash values and other non-forfeiture benefits must be at least equal to the minimum values required by Section 168 of the insurance laws of this state for a general account policy with such premiums and benefits. The assumed investment rate shall not exceed the maximum interest rate permitted under the Standard Non-Forfeiture Law of this state. If the policy does not contain an assumed investment rate this demonstration shall be based on the maximum interest rate permitted under the Standard Nonforfeiture Law. The method of computation may disregard incidental minimum guarantees as to the dollar amounts payable. Incidental minimum guarantees include, for example, but are not to be limited to, a guarantee that the amount payable at death or maturity shall be at least equal to the amount that otherwise would have been payable if the net investment return credited to the policy at all times from the date of issue had been equal to the assumed investment rate.

g. The computation of values required for each variable life insurance policy may be based upon such reasonable and necessary approximations as are acceptable to the commissioner.

Section 3. Mandatory Policy Provisions.

Every variable life insurance policy filed for approval in this state shall contain at least the following:

a. The cover page or pages corresponding to the cover pages of each such policy shall contain:

(1) A prominent statement in either contrasting color or in boldface type that the amount or duration of death benefits may be variable or fixed under specified conditions.

(2) A prominent statement in either contrasting color or in boldface type that cash values may increase or decrease in accordance with the experience of the separate account subject to any specified minimum guarantees.

(3) A statement describing any minimum death benefit required pursuant to Section 2b of this Article IV.

(4) The method, or a reference to the policy provision which describes the method, for determining the amount of insurance payable at death.

(5) To the extent permitted by state law, a captioned provision that the policyholder may return the variable life insurance policy within 10 days of receipt of the policy by the policyholder, and receive a refund equal to the sum of (A) the difference between the premiums paid including any policy fees or other charges and the amounts allocated to any separate accounts under the policy and (B) the value of the amounts allocated to any separate accounts under the policy, on the date the returned policy is received by the insurer or its agent. Until such time as state law authorizes the return of payments as calculated in the preceding sentence, the amount of the refund shall be the total of all premium payments for such policy.

(6) Such other items as are currently required for fixed benefit life insurance policies and which are not inconsistent with this regulation.

b. (1) For scheduled premium policies, a provision for a grace period of not less than 31 days from the premium due date which shall provide that where the premium is paid within the grace period, policy values will be the same, except for the deduction of any overdue premium, as if the premium were paid on or before the due date.

(2) For flexible premium policies, a provision for a grace period beginning on the policy processing day when the total charges authorized by the policy that are necessary to keep the policy in force until the next policy processing day exceed the amounts available under the policy to pay such charges in accordance with the terms of the policy. Such grace period shall end on a date not less than 61 days after the mailing date of the Report to Policyholders required by Section 3 of Article IX.

The death benefit payable during the grace period will equal the death benefit in effect immediately prior to such period less any overdue charges. If the policy processing days occur monthly, the insurer may require the payment of not more than three times the charges which were due on the policy processing day on which the amounts available under the policy were insufficient to pay all charges authorized by the policy that are necessary to keep such policy in force until the next policy processing day.

c. For scheduled premium policies, a provision that the policy will be reinstated at any time within two years from the date of default upon the written application of the insured and evidence of insurability, including good health, satisfactory to the insurer, unless the cash surrender value has been paid or the period of extended insurance has expired, upon the payment of any outstanding indebtedness arising subsequent to the end of the grace period following the date of default together with accrued interest thereon to the date of reinstatement and payment of an amount not exceeding the greater of:

(1) All overdue premiums with interest at a rate not exceeding six percent per annum compounded annually and any indebtedness in effect at the end of the grace period following the date of default with interest at a rate as provided in Section 170.1.

(2) 110 percent of the increase in cash value resulting from reinstatement plus all overdue premiums for incidental insurance benefits with interest at a rate not exceeding six percent per annum compounded annually.

d. A full description of the benefit base and of the method of calculation and application of any factors used to adjust variable benefits under the policy.

e. A provision designating the separate account to be used and stating that:

(1) The assets of such separate account shall be available to cover the liabilities of the general account of the insurer only to the extent that the assets of the separate account exceed the liabilities of the separate account arising under the variable life insurance policies supported by the separate account.

(2) The assets of such separate account shall be valued at least as often as any policy benefits vary but at least monthly.

f. A provision specifying what documents constitute the entire insurance contract under state law.

g. A designation of the officers who are empowered to make an agreement or representation on behalf of the insurer and an indication that statements by the insured, or on his behalf, shall be considered as representations and not warranties.

h. An identification of the owner of the insurance contract.

i. A provision setting forth conditions or requirements as to the designation, or change of designation, of a beneficiary and a provision for disbursement of benefits in the absence of a beneficiary designation.

j. A statement of any conditions or requirements concerning the assignment of the policy.

k. A description of any adjustments in policy values to be made in the event of misstatement of age or sex of the insured.

l. A provision that the policy shall be incontestable by the insurer after it has been in force for two years during the lifetime of the insured, provided, however, that any increase in the amount of the policy's death benefits subsequent to the policy issue date, which increase occurred upon a new application or request of the owner and was subject to satisfactory proof of the insured's insurability, shall be incontestable after any such increase has been in force, during the lifetime of the insured, for two years from the date of issue of such increase.

m. A provision stating that the investment policy of the separate account shall not be changed without the approval of the insurance commissioner of the state of domicile of the insurer, and that the approval process is on file with the commissioner of this state.

n. A provision that payment of variable death benefits in excess of any minimum death benefits, cash values, policy loans, or partial withdrawals (except when used to pay premiums) or partial surrenders may be deferred:

(1) For up to six months from the date of request, if such payments are based on policy values which do not depend on the investment performance of the separate account, or

(2) otherwise, for any period during which the New York Stock Exchange is closed for trading (except for normal holiday closing) or when the Securities and Exchange Commission has determined that a state of emergency exists which may make such payment impractical.

o. If settlement options are provided, at least one such option shall be provided on a fixed basis only.

p. A description of the basis for computing the cash value and the surrender value under the policy shall be included.

q. Premiums or charges for incidental insurance benefits shall be stated separately.

r. Any other policy provision required by this regulation.

s. Such other items as are currently required for fixed benefit life insurance policies and are not inconsistent with this regulation.

t. A provision for non-forfeiture insurance benefits. The insurer may establish a reasonable minimum cash value below which any non-forfeiture insurance options will not be available.

Section 4. Policy Loan Provisions.

Every variable life insurance policy, other than term insurance policies and pure endowment policies, delivered or issued for

delivery in this state shall contain provisions which are not less favorable to the policyholder than the following:

A provision for policy loans after the policy has been in force for two full years which provides the following:

(1) At least 75 percent of the policy's cash surrender value may be borrowed.

(2) The amount borrowed shall bear interest at a rate not to exceed that permitted by state insurance law.

(3) Any indebtedness shall be deducted from the proceeds payable on death.

(4) Any indebtedness shall be deducted from the cash surrender value upon surrender or in determining any non-forfeiture benefit.

(5) For scheduled premium policies, whenever the indebtedness exceeds the cash surrender value, the insurer shall give notice of any intent to cancel the policy if the excess indebtedness is not repaid within 31 days after the date of mailing of such notice. For flexible premium policies, whenever the total charges authorized by the policy that are necessary to keep the policy in force until the next following processing day exceed the amounts available under the policy to pay such charges, a report must be sent to the policyholder containing the information specified by Section 3 of Article IX.

(6) The policy may provide that if, at any time, so long as premiums are duly paid, the variable death benefit is less than it would have been if no loan or withdrawal had ever been made, the policyholder may increase such variable death benefit up to what it would have been if there had been no loan or withdrawal by paying an amount not exceeding 110% of the corresponding increase in cash value and by furnishing such evidence of insurability as the insurer may request.

(7) The policy may specify a reasonable minimum amount which may be borrowed at any time but such minimum shall not apply to any automatic premium loan provision.

(8) No policy loan provision is required if the policy is under extended insurance non-forfeiture option.

(9) The policy loan provisions shall be constructed so that variable life insurance policyholders who have not exercised such provisions are not disadvantaged by the exercise thereof.

(10) Amounts paid to the policyholders upon the exercise of any policy loan provision shall be withdrawn from the separate account and shall be returned to the separate account upon repayment except that a stock insurer may provide the amounts for policy loans from the general account.

Section 5. Other Policy Provisions.

The following provision may in substance be included in a variable life insurance policy or related form delivered or issued for delivery in this state:

a. An exclusion for suicide within two years of the issue date of the policy; provided, however, that to the extent of the increased death benefits only, the policy may provide an exclusion for suicide within two years of any increase in death benefits which results from an application of the owner subsequent to the policy issue date;

b. incidental insurance benefits may be offered on a fixed or variable basis;

c. policies issued on a participating basis shall offer to pay dividend amounts in cash. In addition, such policies may offer the following dividend options:

(1) the amount of the dividend may be credited against premium payments;

(2) the amount of the dividend may be applied to provide amounts of additional fixed or variable benefit life insurance;

(3) the amount of the dividend may be deposited in the general account at a specified minimum rate of interest;

(4) the amount of the dividend may be applied to provide paid-up amounts of fixed benefit one-year term insurance;

(5) the amount of the dividend may be deposited as a variable deposit in a separate account.

d. A provision allowing the policyholder to elect in writing in the application for the policy or thereafter an automatic premium loan on a basis not less favorable than that required of policy loans under Section 4 of this Article, except that a restriction that no more than two consecutive premiums can be paid under this provision may be imposed;

e. A provision allowing the policyholder to make partial withdrawals;

f. Any other policy provision approved by the commissioner.

ARTICLE V: RESERVE LIABILITIES FOR VARIABLE LIFE INSURANCE

1. Reserve liabilities for variable life insurance policies shall be established under the Standard Valuation Law in accordance with actuarial procedures that recognize the variable nature of the benefits provided and any mortality guarantees.

2. For scheduled premium policies, reserve liabilities for the guaranteed minimum death benefit shall be the reserve needed to provide for the contingency of death occurring when the guaranteed minimum death benefit exceeds the death benefit that would be paid in the absence of the guarantee, and shall be maintained in the general account of the insurer and shall be not less than the greater of the following minimum reserves:

a. The aggregate total of the term costs, if any, covering a period of one full year from the valuation date, of the guarantee on each variable life insurance contract, assuming an immediate one-third depreciation in the current value of the assets of the separate account followed by a net investment return equal to the assumed investment rate; or

b. the aggregate total of the "attained age level" reserves on each variable life insurance contract. The "attained age level" reserve on each variable life insurance contract shall not be less than zero and shall equal the "residue," as described in Paragraph (1), of the prior year's "attained age level" reserve on the contract, with any such "residue," increased or decreased by a payment computed on an attained age basis as described in Paragraph (2) below.

(1) The "residue" of the prior year's "attained age level" reserve on each variable life insurance contract shall not be less than zero and shall be determined by adding interest at the valuation interest rate to such prior year's reserve, deducting the tabular claims based on the "excess," if any, of the guaranteed minimum death benefit over the death benefit that would be payable in the absence of such guarantee, and dividing the net result by the tabular probability of survival. The "excess" referred to in the preceding sentence shall be based on the actual level of death benefits that would have been in effect during the preceding year in the absence of the guarantee, taking appropriate account of the reserve assumptions regarding the distribution of death claim payments over the year.

(2) The payment referred to in Subsection 2b of this Article shall be computed so that the present value of a level payment of that amount each year over the future premium paying period of the contract is equal to (A) minus (B) minus (C), where (A) is the present value of the future guaranteed minimum death benefits, (B) is the present value of the future death benefits that would be payable in the absence of such guarantee, and (C) is any "residue," as described in Paragraph (1), of the prior year's "attained age level" reserve on such variable life insurance contract. If the contract is paid-up, the payment shall equal (A) minus (B) minus (C). The amounts of future death benefits referred to in (B)

shall be computed assuming a net investment return of the separate account which may differ from the assumed investment rate and/or the valuation interest rate but in no event may exceed the maximum interest rate permitted for the valuation of life contracts.

c. The valuation interest rate and mortality table used in computing the two minimum reserves described in (a) and (b) above shall conform to permissible standards for the valuation of life insurance contracts. In determining such minimum reserve, the company may employ suitable approximations and estimates, including but not limited to groupings and averages.

3. For flexible premium policies, reserve liabilities for any guaranteed minimum death benefit shall be maintained in the general account of the insurer and shall be not less than the aggregate total of the term costs, if any, covering the period provided for in the guarantee not otherwise provided for by the reserves held in the separate account assuming an immediate one-third depreciation in the current value of the assets of the separate account followed by a net investment return equal to the valuation interest rate.

The valuation interest rate and mortality table used in computing this additional reserve, if any, shall conform to permissible standards for the valuation of life insurance contracts. In determining such minimum reserve, the company may employ suitable approximations and estimates, including but not limited to groupings and averages.

4. Reserve liabilities for all fixed incidental insurance benefits and any guarantees associated with variable incidental insurance benefits shall be maintained in the general account and reserve liabilities for all variable aspects of the variable incidental insurance benefits shall be maintained in a separate account, in amounts determined in accordance with the actuarial procedures appropriate to such benefit.

ARTICLE VI: SEPARATE ACCOUNTS

The following requirements apply to the establishment and administration of variable life insurance separate accounts by any domestic insurer.

Section 1. Establishment and Administration of Separate Accounts.

Any domestic insurer issuing variable life insurance shall establish one or more separate accounts pursuant to Section 1500 of the insurance laws of this state.

a. If no law or other regulation provides for the custody of separate account assets and if such insurer is not the custodian of such separate account assets, all contracts for custody of such assets shall be in writing and the commissioner shall have authority to review and approve of both the terms of any such contract and the proposed custodian prior to the transfer of custody.

b. Such insurer shall not without the prior written approval of the commissioner employ in any material connection with the handling of separate account asset any person who:

(1) within the last 10 years has been convicted of any felony or a misdemeanor arising out of such person's conduct involving embezzlement, fraudulent conversion, or misappropriation of funds or securities or involving violation of Sections 1341, 1342, or 1343 of Title 18, United States Code; or

(2) within the last 10 years has been found by any state regulatory authority to have violated or has acknowledged violation of any provision of any state insurance law involving fraud, deceit, or knowing misrepresentation; or

(3) within the last 10 years has been found by federal or state regulatory authorities to have violated or has acknowledged violation of any provision of federal or state securities laws involving fraud, deceit, or knowing misrepresentation.

c. All persons with access to the cash, securities, or other assets of the separate account shall be under bond in the amount of not less than a value indexed to the NAIC fidelity bonding recommendations regarding personnel handling general account assets.

d. The assets of such separate accounts shall be valued at least as often as variable benefits are determined but in any event at least monthly.

Section 2. Amounts in the Separate Account.

The insurer shall maintain in each separate account assets with a value at least equal to the greater of the valuation reserves for the variable portion of the variable life insurance policies or the benefit base for such policies.

Section 3. Investments by the Separate Account.

a. No sale, exchange, or other transfer of assets may be made by an insurer or any of its affiliates between any of its separate accounts or between any other investment account and one or more of its separate accounts unless:

(1) in case of a transfer into a separate account, such transfer is made solely to establish the account or to support the operation of the policies with respect to the separate account to which the transfer is made; and

(2) such transfer, whether into or from a separate account, is made by a transfer of cash; but other assets may be transferred if approved by the commissioner in advance.

b. The separate account shall have sufficient net investment income and readily marketable assets to meet anticipated withdrawals under policies funded by the account.

Section 4. Limitations on Ownership.

a. A separate account shall not purchase or otherwise acquire the securities of any issuer, other than securities issued or guaranteed as to principal and interest by the United States, if immediately after such purchase or acquisition the value of such investment, together with prior investments of such account in such security valued as required by these regulations, would exceed 10 percent of the value of the assets of the separate account. The commissioner may waive this limitation in writing if he believes such waiver will not render the operation of the separate account hazardous to the public or the policyholders in this state.

b. No separate account shall purchase or otherwise acquire the voting securities of any issuer if as a result of such acquisition the insurer and its separate accounts, in the aggregate, will own more than 10 percent of the total issued and outstanding voting securities of such issuer. The commissioner may waive this limitation in writing if he believes such waiver will not render the operation of the separate account hazardous to the public or the policyholders in this state or jeopardize the independent operation of the issuer of such securities.

c. The percentage limitation specified in Subsection a of this Section shall not be construed to preclude the investment of the assets of separate accounts in shares of investment companies registered pursuant to the Investment Company Act of 1940 or other pools of investment assets if the investments and investment policies of such investment companies or asset pools comply substantially with the provisions of Section 3 of this Article and other applicable portions of this regulation.

Section 5. Valuation of Separate Account Assets.

Investments of the separate account shall be valued at their market value on the date of valuation, or at amortized cost if it approximates market value.

Section 6. Separate Account Investment Policy.

The investment policy of a separate account operated by a domestic insurer filed under Section 2c of Article III shall not be changed without first filing such change with the insurance commissioner.

(1) Any change filed pursuant to this Section shall be effective 60 days after the date it was filed with the commissioner,

unless the commissioner notifies the insurer before the end of such 60-day period of his disapproval of the proposed change. At any time the commissioner may, after notice and public hearing, disapprove any change that has become effective pursuant to this Section.

(2) The commissioner may disapprove the change if he determined that the change would be detrimental to the interests of the policyholders participating in such separate account.

Section 7. Charges Against Separate Account.

The insurer must disclose in writing, prior to or contemporaneously with delivery of the policy, all charges that may be made against the separate account, including, but not limited to, the following:

(1) taxes or reserves for taxes attributable to investment gains and income of the separate account;

(2) actual cost of reasonable brokerage fees and similar direct acquisition and sale costs incurred in the purchase or sale of separate account assets;

(3) actuarially determined costs of insurance (tabular costs) and the release of separate account liabilities;

(4) charges for administrative expenses and investment management expenses, including internal costs attributable to the investment management of assets of the separate account;

(5) a charge, at a rate specified in the policy, for mortality and expense guarantees;

(6) any amounts in excess of those required to be held in the separate accounts;

(7) charges for incidental insurance benefits.

Section 8. Standards of Conduct.

Every insurer seeking approval to enter into the variable life insurance business in this state shall adopt by formal action of its board of directors a written statement specifying the standards of conduct of the insurer, its officers, directors, employees, and affiliates with respect to the purchase or sale of investments of separate accounts. Such standards of conduct shall be binding on the insurer and those to whom it refers. A code or codes of ethics meeting the requirements of Section 17j under the Investment Company Act of 1940 and applicable rules and regulations thereunder shall satisfy the provisions of this Section.

Section 9. Conflicts of Interest.

Rules under any provision of the insurance laws of this state or any regulation applicable to the officers and directors of insurance companies with respect to conflicts of interest shall also apply to members of any separate account's committee or other similar body.

Section 10. Investment Advisory Services to a Separate Account.

An insurer shall not enter into a contract under which any person undertakes, for a fee, to regularly furnish investment advice to such insurer with respect to its separate accounts maintained for variable life insurance policies unless:

(1) the person providing such advice is registered as an investment adviser under the Investment Advisers Act of 1940; or

(2) the person providing such advice is an investment manager under the Employee Retirement Income Security Act of 1974 with respect to the assets of each employee benefit plan allocated to the separate account; or

(3) the insurer has filed with the commissioner and continues to file annually the following information and statements concerning the proposed adviser:

(a) the name and form of organization, state of organization, and its principal place of business;

(b) the names and addresses of its partners, officers, directors, and persons performing similar functions or, if such an investment advisor be an individual, of such individual;

(c) a written standard of conduct complying in substance with the requirements of Section B of this Article which has been adopted by the investment adviser and is applicable to the investment adviser, his officers, directors, and affiliates.

(d) a statement provided by the proposed adviser as to whether the adviser or any person associated therewith:

(i) has been convicted within 10 years of any felony or misdemeanor arising out of such person's conduct as an employee, salesman, officer or director or an insurance company, a banker, an insurance agent, a securities broker, or an investment adviser involving embezzlement, fraudulent conversion, or misappropriation of funds or securities, or involving the violation of Section 1341, 1342, or 1343 of Title 18 of United States Code;

(ii) has been permanently or temporarily enjoined by order, judgment, or decree of any court of competent jurisdiction from acting as an investment adviser, underwriter, broker, or dealer, or as an affiliated person or as an employee of any investment company, bank, or insurance company, or from engaging in or continuing any conduct or practice in connection with any such activity;

(iii) has been found by federal or state regulatory authorities to have willfully violated or have acknowledged willful violation of any provision of federal or state securities laws or state insurance laws or of any rule or regulation under any such laws; or

(iv) has been censured, denied an investment adviser registration, had a registration as an investment adviser revoked or suspended, or been barred or suspended from being associated with an investment adviser by order of federal or state regulatory authorities; and

(4) such investment advisory contract shall be in writing and provide that it may be terminated by the insurer without penalty to the insurer or the separate account upon no more than 60 days' written notice to the investment adviser.

The commissioner may, after notice and opportunity for hearing, by order require such investment advisory contract to be terminated if he deems continued operation thereunder to be hazardous to the public or the insurer's policyholders.

ARTICLE VII: INFORMATION FURNISHED TO APPLICANTS

An insurer delivering or issuing for delivery in this state any variable life insurance policies shall deliver to the applicant for the policy, and obtain a written acknowledgement of receipt from such applicant coincident with or prior to the execution of the application, the following information. The requirements of this Article shall be deemed to have been satisfied to the extent that a disclosure containing information required by this Article is delivered, either in the form of (1) a prospectus included in the requirements of the Securities Act of 1933 and which was declared effective by the Securities and Exchange Commission; or (2) all information and reports required by the Employee Retirement Income Security Act of 1974 if the policies are exempted from the registration requirements of the Securities Act of 1933 pursuant to Section 3(a)(2) thereof.

1. A summary explanation, in non-technical terms, of the principal features of the policy, including a description of the manner in which the variable benefits will reflect the investment experience of the separate account and the factors which affect such variation. Such explanation must include notices of the provision required by Article IV, Sections 3a(5) and 3f;

2. a statement of the investment policy of the separate account, including:

(a) a description of the investment objectives intended for the separate account and the principal types of investments intended to be made; and

(b) Any restriction or limitations on the manner in which the operations of the separate account are intended to be conducted.

3. a statement of the net investment return of the separate account for each of the last 10 years or such lesser period as the separate account has been in existence;

4. a statement of the charges levied against the separate account during the previous year;

5. a summary of the method to be used in valuing assets held by the separate account;

6. a summary of the federal income tax aspects of the policy applicable to the insured, the policyholder and the beneficiary;

7. illustrations of benefits payable under the variable life insurance contract. Such illustrations shall be prepared by the insurer and shall not include projections of past investment experience into the future or attempted predictions of future investment experience, provided that nothing contained herein prohibits use of hypothetical assumed rates of return to illustrate possible levels of benefits if it is made clear that such assumed rates are hypothetical only.

ARTICLE VIII: APPLICATIONS

The application for a variable life insurance policy shall contain:

1. a prominent statement that the death benefit may be variable or fixed under specified conditions;

2. a prominent statement that cash values may increase or decrease in accordance with the experience of the separate account (subject to any specified minimum guarantees);

3. questions designed to elicit information which enables the insurer to determine the suitability of variable life insurance for the applicant.

ARTICLE IX: REPORTS TO POLICYHOLDERS

Any insurer delivering or issuing for delivery in this state any variable life insurance policies shall mail to each variable life insurance policyholder at his or her last known address the following reports:

1. Within 30 days after each anniversary of the policy, a statement or statements of the cash surrender value, death benefit, any partial withdrawal or policy loan, any interest charge, any optional payments allowed pursuant to Section 4 of Article IV under the policy computed as of the policy anniversary date. Provided, however, that such statement may be furnished within 30 days after a specified date in each policy year so long as the information contained therein is computed as of a date not more than 60 days prior to the mailing of such notice. This statement shall state that, in accordance with the investment experience of the separate account, the cash values and the variable death benefit may increase or decrease, and shall prominently identify any value described therein which may be recomputed prior to the next statement required by this Section. If the policy guarantees that the variable death benefit on the next policy anniversary date will not be less than the variable death benefit specified in such statement, the statement shall be modified to so indicate. For flexible premium policies, the report must contain a reconciliation of the change since the previous report in cash value and cash surrender value, if different, because of payments made (less deductions for expense charges), withdrawals, investment experience, insurance charges and any other charges made against the cash value. In addition, the report must show the projected cash value and cash surrender value, if different, as of one year from the end of the period covered by the report assuming that: (i) planned periodic premiums, if any, are paid as scheduled; (ii) guaranteed costs of insurance are deducted; and (iii) the net investment return is equal to the guaranteed rate or, in the absence of a guaranteed rate, is not greater than zero. If the projected value is less than zero, a warning message must be included that states that the policy may be in danger of terminating without value in the next 12 months unless additional premium is paid.

2. Annually, a statement or statements including:

a. a summary of the financial statement of the separate account based on the annual statement last filed with the commissioner;

b. the net investment return of the separate account for the last year and, for each year after the first, a comparison of the investment rate of the separate account during the last year with the investment rate during prior years, up to a total of not less than five years when available;

c. a list of investments held by the separate account as of a date not earlier than the end of the last year for which an annual statement was filed with the commissioner;

d. any charges levied against the separate account during the previous year.

e. a statement of any change, since the last report, in the investment objective and orientation of the separate account, in any investment restriction or material quantitative or qualitative investment requirement applicable to the separate account or in the investment adviser of the separate account.

3. For flexible premium policies, a report must be sent to the policyholder if the amounts available under the policy on any policy processing day to pay the charges authorized by the policy are less than the amount necessary to keep the policy in force until the next following policy processing day. The report must indicate the minimum payment required under the terms of the policy to keep it in force and the length of the grace period for payment of such amount.

ARTICLE X: FOREIGN COMPANIES

If the law or regulation in the place of domicile of a foreign company provides a degree of protection to the policyholders and the public which is substantially similar to that provided by these regulations, the commissioner to the extent deemed appropriate by him in his discretion, may consider compliance with such law or regulation as compliance with these regulations.

ARTICLE XI: QUALIFICATIONS OF AGENTS FOR THE SALE OF VARIABLE LIFE INSURANCE

1. Qualification to Sell Variable Life Insurance

a. No person may sell or offer for sale in this state any variable life insurance policy unless such person is an agent and has filed with the commissioner, in a form satisfactory to the commissioner, evidence that such person holds any license or authorization which may be required for the solicitation or sale of variable life insurance.

b. Any examination administered by the department for the purpose of determining the eligibility of any person for licensing as an agent shall, after the effective date of this regulation, include such questions concerning the history, purpose, regulation, and sale of variable life insurance as the commissioner deems appropriate.

2. Reports of Disciplinary Actions: Any person qualified in this state under this Article to sell or offer to sell variable life insurance shall immediately report to the commissioner:

a. any suspension or revocation of his agent's license in any other state or territory of the United States;

b. the imposition of any disciplinary sanction, including suspension or expulsion from membership, suspension, or revocation of or denial of registration, imposed upon him by any national securities exchange, or national securities association, or any federal, state, or territorial agency with jurisdiction over securities or variable life insurance;

c. any judgment or injunction entered against him on the basis of conduct deemed to have involved fraud, deceit, misrepresentation, or violation of any insurance or securities law or regulation.

3. Refusal to Qualify Agent to Sell Variable Life Insurance: Suspension, Revocation, or Nonrenewal of Qualification: The commissioner may reject any application or suspend or revoke or refuse to renew any agent's qualification under this Article to sell or offer to sell variable life insurance upon any ground that would bar such applicant or such agent from being licensed to sell other life insurance contracts in this state. The rules governing any proceeding relating to the suspension or revocation of an agent's license shall also govern any proceeding for suspension or revocation of an agent's qualification to sell or offer to sell variable life insurance.

ARTICLE XII: SEVERABILITY ARTICLE

If any provision of this regulation or the application thereof to any person or circumstance is for any reason held to be invalid, the remainder of the regulation and the application of such provision to other persons or circumstances shall be not affected thereby.

Interested persons may submit written comments regarding this proposed rule to John B. Fontenot, Office of the General Counsel, Box 94214, Baton Rouge, LA 70804-9214.

Sherman A. Bernard
Commissioner

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Variable Life

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)
None

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)
None

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)
None

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)
None

Sherman A. Bernard
Commissioner

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Department of Labor
Office of Worker's Compensation

The Department of Labor, Office of Worker's Compensation Administration, intends to adopt rules for the implementation and administration of the provisions of Act No. 1 of the First Extraordinary Session of 1983.

Copies of the proposed rules may be obtained at the Office of Worker's Compensation Administration, 910 N. Bon Marche Dr., Baton Rouge, LA 70806-2288.

Public hearings on the proposed rules will be held on April 26, 1985, at 10 a.m. at The Chamber of Commerce Building, 301 Camp St., 5th Floor, New Orleans, LA; on May 3, 1985 at 10 a.m. in the Administrator's Conference Room #176 at the Department of Labor, 1001 N. 23rd St., Baton Rouge, LA; and on May 10, 1985 at 10 a.m. at Shreveport/Bossier Voc. - Tech. Center, Main Building, Room A132, 2010 N. Market St., Shreveport, LA.

Interested persons may comment on the proposed rules either by attendance at the public hearings or by writing to Jack C. Leary, Assistant Secretary of Labor, 910 N. Bon Marche Dr., Baton Rouge, LA 70806-2288, through April 22, 1985.

Dudley J. Patin, Jr.
Secretary

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Responsibilities and Rights of Employee/Employer

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)
There will be no implementation cost to state or local governmental units. All revenues will be self-generated by assessing all insurance companies a percentage of worker's compensation claim paid in the previous calendar year.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)
There will be no additional effect on revenue collections of state or local governmental units; however, the Office of Worker's Compensation will collect in excess of $2 million annually from assessing worker's compensation insurers.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)
Estimated cost for FY 84-85 is $2.3 million and for FY 85-86 is $2.5 million for administration of the State Worker's Compensation Program. All working Louisiana citizens will benefit from (1) the immediate 20 percent rate reduction on all policies of worker's compensation insurance in force and (2) from having a central source to obtain information on worker's compensation claims.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)
In applicable situations, additional staffing will be needed in the safety and rehabilitation professions, as required by Act 1, 1983, in order to develop and implement required employee safety programming and employer provided rehabilitation services to the disabled employees of the state.
It is difficult to measure competition on a statewide basis due to various unknown employment potentials.

Jack C. Leary
Assistant Secretary

Mark C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Department of Natural Resources
Office of Conservation
Injection and Mining Division

DOCKET NUMBER UIC 85-12

In accordance with the provisions of L.R.S. 49:950, et. seq., the Louisiana Administrative Procedure Act, and the authority given in L.R.S. 30:4, notice is hereby given that the commissioner of Conservation will conduct a public hearing at 9 a.m., Monday, May 6, 1985, in the Conservation Hearing Room located on the First Floor of the State Land and Natural Resources Building, 625 North Fourth Street, Baton Rouge, Louisiana.

At such hearing the commissioner or his authorized representative will consider the revision of Statewide Order 29-B which will address providing for the administrative allowing of a test period for both Injectivity Tests (one week) and Pilot Projects (six months) prior to the requiring of a public hearing. The test period

will provide an operator the opportunity to economically/technically evaluate a project before subjecting a project to possible unnecessary unitization expenditures.

A copy of the proposed rules and regulations may be obtained at no cost by writing James H. Welsh, Office of Conservation, Injection and Mining Division, Box 94275, Baton Rouge, LA 70804-4275, by calling 504/342-5515, or by coming in person to Room 253 of the Natural Resources Building, North and Riverside, Baton Rouge, LA.

All interested persons will be afforded an opportunity to present data, views or arguments, orally or in writing, at said public hearing in accordance with L.R.S. 49:953. Written comments will be accepted until 4:45 p.m., Monday, May 13, 1985. Office of Conservation, Injection and Mining Division, Box 94275, Baton Rouge, LA 70804-4275, Re: Docket No. UIC 85-12.

Herbert W. Thompson
Commissioner

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Statewide Order 29-B

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

There will be no estimated implementation costs to state or local governmental units because existing numbers of personnel are adequate to carry out this proposed amendment.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

The state may recognize an increase in public hearing fees of an estimated $4,500 annually because we anticipate an average of 15 additional hearings at $300. per hearing.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

The oil and gas industry will recognize economic benefits/savings estimated at $150,000 annually by not being required to proceed through with uneconomical secondary recovery project unitization costs such as attorneys' fees, landmen fees, and public hearing fees.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

There is no estimated effect on competition and employment because of the nature of proposed amendment.

James H. Welsh
Director, Injection & Mining Division

Mak C. Drennen
Legislative Fiscal Officer

NOTICE OF INTENT

Department of Natural Resources
Energy, Research and Planning Division

The Department of Natural Resources intends to hold a public hearing relative to the development of a Commercial and Apartment Conservation Service (CACS) State Plan. The provisions of this plan require the ten major covered utilities to offer each of their eligible commercial and multi-family customers an on-site energy audit that will provide eligible customers with information on the relative costs and savings resulting from specific conservation investments. The development of this CACS plan is in accordance with rules and regulations proposed or developed by the Department of Energy (Federal Register of October 26, 1983-10 CFR part 458, pages 49622-41650) in response to Public Law 96-294, dated June 30, 1980. The Department of Natural Resources proposes to adopt this plan for Louisiana.

1. Relevant information is as follows:

A. The purpose of this public hearing is to receive suggestions and solicit comments from Louisiana citizens concerning the proposed Commercial and Apartment Conservation Service (CACS) State Plan prior to the submission of said plan to the U.S. Department of Energy for review. This public hearing will encompass the features of the State Plan which are specifically defined in the federal CACS regulations.

B. A public hearing will be held beginning at 9:00 a.m. on April 29 at the following location:

1. Land and Natural Resources Building, 625 North 4th Street, (Conservation Hearing Room-1st floor) Baton Rouge, LA.

During the hearing, persons may make oral presentations or submit written comments. Written comments also may be submitted by mail and should arrive at the Department not later than May 6, 1985.

C. Questions concerning any aspect of the public hearing as well as any written comments addressing the issues defined or any other feature of the CACS program should be directed to Louisiana Department of Natural Resources, Attention: Vance Edwards/CACS, Energy, Research and Planning Division, Box 44156, Baton Rouge, LA 70804.

Copies of the CACS Plan will be available for "in-house" review at the following locations during the hours of 8 a.m. to 4:30 p.m. beginning April 22, 1985.

(1) Land and Natural Resources Building, 625 North Fourth Street, Tenth floor, Receptionist Area-Energy Research and Planning

(2) Louisiana State Library, 740 Riverside North, Baton Rouge, Louisiana

Copies of the CACS plan may be obtained weekdays between the hours of 8:00 a.m. and 4:30 p.m. beginning April 22, 1985, at:

(1) Land and Natural Resources Building, 625 North 4th Street, 10th Floor, Receptionist Area-Energy Research and Planning.

B. Jim Porter
Secretary

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Commercial and Apartment Conservation Service (CACS) State Plan

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

Implementation of the Commercial and Apartment Conservation (CACS) Program is the responsibility of the covered utilities. The Department of Natural Resources, Energy, Research & Planning Division, is functioning as an administrative agency (Lead Agency) and is essentially taking on additional duties to assure the proper implementation of this program. Lead Agency implementation costs are borne by the utilities. There will be no estimated implementation costs to the state as a result of this proposal, however, those local governmental units that administer their own utility service will be required to provide associated expenses.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)

There will be no estimated effect on revenue collection of state government; however, in the case of local government units that administer their own utility service, some revenues

may be generated to recover costs and expenses associated with the CACS Program.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)

The Consumer Protection Agency and Louisiana Public Service Commission should not be affected beyond their normal public service functions. For those local governments which have a public utility participating in this program, some cost may inevitably be passed on to the customer. Customers of all CACS utilities will experience the expensing of program costs through rate basings (i.e., all audit expenses in excess of $200 *may* be borne by the public in general through utility rate increases), to the degree allowed by the Public Service Commission (PSC). The cost per audit to covered utility companies is estimated to range from $135 to $200, depending upon the audits methodology chosen by the utility and the number of auditors provided. The actual cost as determined by a covered utility will subsequently be passed on to the affected customers. The economic benefits to affected customers would be reduced energy cost if audit recommendations are implemented.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)

Employment in the private sector should increase due to the fact that some utility companies may subcontract the actual performance of the audits to private companies. Implementation of the recommendations of the audits may result in the necessity to hire vendors in order to implement the recommendations. The CACS draft plan has been written with the intent of not requiring utility auditors to encroach into the more technical areas which may require the expertise of an engineer/architect.

B. Jim Porter
Secretary

Mark C. Drennen
Legislative Fiscal Officer

through April 29, 1985 to Thomas D. Burbank, Jr., Secretary and Director of the State Bond Commission, Third Floor, State Capitol Building, Box 44154, Baton Rouge, LA 70804. The State Bond Commission will hold a public hearing on April 30, 1985 at a time and place established in a notice posted 24 hours in advance.

The State Bond Commission shall prior to the adoption, amendment or repeal of any rule, afford all interested persons reasonable opportunity to submit data, views, or arguments, orally or in writing. In case of substantive rules, opportunity for oral presentation or argument shall be granted if requested by 25 persons, by a governmental subdivision or agency, by a committee of either house of the Legislature to which the proposed rule change has been referred, as required under the provisions of Section 968 of Title 40.

At least eight working days prior to the meeting of the State Bond Commission at which a rule or rules are proposed to be adopted, amended or repealed, notice of any intention to make an oral or written presentation shall be given to the director of the State Bond Commission. If the presentation is to be oral, such notice shall contain the name or names, telephone numbers, and mailing addresses of the person or persons who will make such oral presentation, who they are representing, the estimated time needed for the presentation, and a brief summary of the presentation. Notice of such oral presentation may be sent to all State Bond Commission members prior to the meeting. If the presentation is to be written, such notice shall contain the name or names of the person or persons submitting such written statement, who they are representing, and a copy of the statement itself. Such written statement will be sent to all State Bond Commission members prior to the meeting.

The commission shall consider all written and oral submissions concerning the proposed rules. Upon adoption of a rule, the commission if requested to do so by an interested person either prior to the adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for or against its adoption.

Mary Evelyn Parker
State Treasurer and Chairman

NOTICE OF INTENT

Department of the Treasury
State Bond Commission

In accordance with the application provisions of the Administrative Procedure Act, L.R.S. 49:950, et seq., notice is hereby given that the Louisiana State Bond Commission intends to amend the commission's rules as originally adopted on November 20, 1976, and amended as of October 20, 1978, November 20, 1979, January 20, 1981, February 20, 1981, October 20, 1982, November 20, 1982, April 20, 1983, May 20, 1984 and November 20, 1984.

The commission proposes to amend Rule No. 2 as follows:

"2. Applications must be filed with the commission at least 11 working days in advance of a commission meeting, except in cases of absolute emergencies or in case where permission for later filing of routine matters is granted."

The proposed rule amendment will be made available for public inspection between the hours of 8 a.m. and 4:30 p.m. on any working day after April 20, 1985 at the Office of the State Bond Commission, Third Floor, State Capitol Building, Baton Rouge, Louisiana.

Interested persons may submit their views and opinions

Fiscal and Economic Impact Statement
For Administrative Rules
Rule Title: Deadline for filing applications

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)
None

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS - (Summary)
None

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS - (Summary)
None

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)
None

Thomas D. Burbank, Jr.
Director and Secretary

Mark C. Drennen
Legislative Fiscal Officer

Committee Reports

COMMITTEE REPORT

House of Representatives
House Natural Resources Committee
Oversight Review

Pursuant to the provisions of R.S. 49:968, the House of Representatives Natural Resources Subcommittee on Oversight met on March 20, 1985, and reviewed certain changes in state regulations proposed by the Louisiana Department of Wildlife and Fisheries for which notice of intent was published in the February 20 *Louisiana Register* with the following results:

1) Proposal by the Wildlife and Fisheries Commission to adopt the federal regulations for personal flotation devices, fire extinguishers, flame arrestors and ventilation.

Approved by a vote of 5-0.

Clyde W. Kimball
Chairman

COMMITTEE REPORT

House of Representatives
House Natural Resources Committee
Oversight Review

Pursuant to the provisions of R.S. 49:968, the House of Representatives Natural Resources Subcommittee on Oversight met on March 20, 1985 and reviewed certain changes in state regulations proposed by the Louisiana Department of Wildlife and Fisheries for which notice of intent was published in the February 20 *Louisiana Register* with the following results:

1) Proposal by the Wildlife and Fisheries Commission to adopt rules to regulate the mandatory firearms and hunter education program.

Approval by a vote of 5-0.

Clyde W. Kimball
Chairman

COMMITTEE REPORT

House of Representatives
House Natural Resources Committee
Oversight Review

Pursuant to the provisions of R.S. 49:968, the House of Representatives Natural Resources Subcommittee on Oversight met on March 20, 1985, and reviewed certain changes in state regulations proposed by the Louisiana Department of Wildlife and Fisheries for which notice of intent was published in the February 20 *Louisiana Register* with the following results:

1) Proposal by the Wildlife and Fisheries Commission to adopt rules and regulations to govern the use of the Rockefeller Wildlife Refuge for sport fishing and other recreational uses.

Approved by a vote of 5-0.

Clyde W. Kimball
Chairman

COMMITTEE REPORT

House of Representatives
House Natural Resources Committee
Oversight Review

Pursuant to the provisions of R.S. 49:968, the House of Representatives Natural Resources Subcommittee on Oversight met on March 20, 1985, and reviewed certain changes in state regulations proposed by the Louisiana Department of Wildlife and Fisheries for which notice of intent was published in the February 20 *Louisiana Register* with the following results:

1) Proposal by the Wildlife and Fisheries Commission to set the 1985 inshore spring shrimp season.

Approved by a vote of 5-0.

Clyde W. Kimball
Chairman

LOUISIANA ADMINISTRATIVE CODE UPDATE

Administrative Code Update
January 1985 - March 1985

Volume	Title	Section	Effect	Location
1	35	5745	amended	LR 10:6 (Jan. 1985)
1	35	1513	adopted	LR 10:6 (Jan. 1985)

Potpourri

POTPOURRI

Department of Natural Resources
Fishermen's Gear Compensation Fund

In accordance with the provisions of the Fishermen's Gear Compensation Fund, Louisiana Revised Statutes 56:700.1 through 56:700.5, and in particular, Section 700.4 thereof; regulations adopted for the fund as published in the *Louisiana Register* on August 20, 1980; and also the rules of the secretary of this department, notice is hereby given that 53 completed claims, amounting to $65,681.87, were received during the month of March, 1985. During the same month, 47 claims, amounting to $68,994.81 were paid. The following is a list of the paid claims:

Claim No. 84-1463 Philip Cantrelle & Allen Wiseman	Claim No. 84-1492 Louis Matherne	Claim No. 84-1514 Plaquemines Bunkers
Claim No. 84-1544 James Prudhomme, Jr.	Claim No. 84-1608 Rudolph Kreger, Jr.	Claim No. 84-1609 Henry Luwisch
Claim No. 84-1611 Mark Barbe	Claim No. 84-1636 Lawrence Charpentier	Claim No. 84-1637 Lawrence Charpentier
Claim No. 84-1657 Tracy Alfonso	Claim No. 84-1658 Tracy Alfonso	Claim No. 84-1659 Tracy Alfonso
Claim No. 84-1670 Howard Derouen	Claim No. 84-1671 Howard Derouen	Claim No. 84-1677 Randy Adams
Claim No. 84-1710 Lloyd Duncan	Claim No. 84-1739 Henry Martin	Claim No. 84-1768 Malcolm Assevado
Claim No. 84-1769 Malcolm Assevado	Claim No. 84-1770 Malcolm Assevado	Claim No. 84-1785 Henry Martin
Claim No. 84-1786 Henry Martin	Claim No. 84-1801 Randy Adams	Claim No. 84-1804 James Prudhomme, Jr.

Claim No. 84-1805 Kenneth Adams, Jr.	Claim No. 84-1816 Timothy Schouest, Sr.	Claim No. 84-1817 Timothy Schouest, Sr.
Claim No. 84-1818 Timothy Schouest, Sr.	Claim No. 84-1847 Steven Charpentier	Claim No. 84-1848 Steven Charpentier
Claim No. 84-1853 Allen Gaudet	Claim No. 84-1854 Allen Gaudet	Claim No. 84-1855 Allen Gaudet
Claim No. 84-1862 John Wunstell	Claim No. 84-1867 Mark Barbe	Claim No. 84-1868 Mark Barbe
Claim No. 84-1872 Frank Ray	Claim No. 84-1873 Frank Ray	Claim No. 84-1879 Ralph Sandras
Claim No. 84-1902 Kenneth Adams, Jr.	Claim No. 84-1905 Rodney Weiskopf	Claim No. 84-1906 Rodney Weiskopf
Claim No. 84-1909 Steven Charpentier	Claim No. 84-1939 Wayne Vizier	Claim No. 84-1989 William Harvey
Claim No. 84-1990 William Harvey	Claim No. 84-2048 John Wunstell	

Public hearings to consider completed claims have been scheduled as follows:

Wednesday, May 15, 1985, at 1 p.m., in the Police Jury Office, 8201 West Judge Perez Drive, in Chalmette, LA:

CLAIM NO. 84-1856

James Daspit, of Pearl River, LA, while trawling on the vessel, "Country Girl," in Lake Pontchartrain, at the mouth of The Rigolets St. Tammany Parish, encountered a submerged barge on July 20, 1984, at approximately 6 a.m., causing damage to his trawl. Amount of Claim: $293.21

CLAIM NO. 84-2101

Robert Graf, of St. Bernard, LA, while trawling on the vessel, "Trickie Nicki," in Blind Bay, on the North side of the bay, Plaquemines Parish, encountered an unidentified submerged obstruction October 31, 1984, at approximately 8:30 a.m., causing loss of his 50 foot trawl. Amount of Claim: $836.88

CLAIM NO. 84-2102

William Pfleeger, of St. Bernard, LA, while trawling on the vessel, "LA-4003-AT," in Bay Boudreaux, at the mouth of Redfish Bayou, St. Bernard Parish, encountered a submerged seismographic drill pipe and drill bit, on November 1, 1984, at approximately 9 a.m., causing loss of his 45 foot trawl. Amount of Claim: $473.60

CLAIM NO. 84-2126

Joseph Parrett, Sr., of Chalmette, LA, while trawling on the vessel, "Mr. Schlitz," in Lake Borgne, Southeast of The Rigolets, at LORAN-C readings of 28,997.0 and 47,051.4, Orleans Parish, encountered an unidentified submerged obstruction on October 29, 1984, at approximately 4:30 p.m., causing loss of his 50 foot trawl. Amount of Claim: $900

CLAIM NO. 84-2129

Peter Gerica, of New Orleans, LA, while trawling on the vessel "Miss Lucy," in Lake Pontchartrain, South of The Rigolets, at approximate LORAN-C readings of 28,905.5 and 47,053.4, Orleans Parish, encountered an unidentified submerged obstruction on November 12, 1984, at approximately 2 p.m., causing loss of his trawl. Amount of Claim: $450

CLAIM NO. 84-2148

Tony Goutierrez, of Braithwaite, LA, while trawling on the vessel, "Bayou Boy," in Black Bay, at the entrance to Bayou Terre Aux Boeufs, Plaquemines Parish, encountered an unidentified submerged obstruction on November 8, 1984, at approximately 3:30 p.m., causing damage to his vessel. Amount of Claim: $1,065.52

CLAIM NO. 84-2154

George C. Reno, of Venice, LA, while trawling on the vessel, "Tidewater Red," in East Bay, at LORAN-C readings of 28,840.1 and 46,776.5, Plaquemines Parish, encountered an unidentified submerged obstruction on November 2, 1984, at approximately 12 noon, causing loss of his 19 foot bib net and trawl boards. Amount of Claim: $250

CLAIM NO. 84-2155

August Bertoniere, of Metairie, LA, while trawling on the vessel "Princess," in Lake Pontchartrain, West of the Causeway, at approximate LORAN-C readings of 28,626.0 and 47,034.6, Jefferson Parish, encountered an unidentified submerged obstruction on October 25, 1984, at approximately 11:30 a.m., causing damage to his vessel. Amount of Claim: $787

CLAIM NO. 84-2173

Lester J. Evans, of St. Bernard, LA, while trawling on the vessel, "Swamp Rat," in Chandeleur Sound, East of Mitchell Key, at approximate LORAN-C readings of 29,233.0 and 47,002.4, St. Bernard Parish, encountered an unidentified submerged obstruction on November 14, 1984, at approximately 2 p.m., causing loss of his 55 foot balloon trawl. Amount of Claim: $806.52

CLAIM NO. 84-2174

Lester J. Evans, Jr., of St. Bernard, LA, while trawling on the vessel, "Swamp Rat," in Lake Pontchartrain, North of Bayou St. John, at approximate LORAN-C readings of 28,691.0 and 47,037.0, Orleans Parish, encountered an unidentified submerged obstruction on November 24, 1984, at approximately 10 p.m., causing loss of his 55 foot trawl and cable. Amount of Claim: $1,350.36

CLAIM NO. 84-2177

Gary J. Treuil, of Metairie, LA, while trawling on the vessel, "Dawn Mist," in The Rigolets, East of Sawmill Pass, Orleans Parish encountered an unidentified submerged obstruction on November 20, 1984, at approximately 7 a.m., causing damage to his 50 foot trawl and boards. Amount of Claim: $1,032.60

CLAIM NO. 84-2186

Nicholas Gonzales, of Meraux, LA, while trawling on the vessel, "Blue Persuasion," in Breton Sound, North of Breton Island, at LORAN-C readings of 29,089.3 and 46,917.2, Plaquemines Parish, encountered a submerged obstruction on November 6, 1984, at approximately 12 noon, causing loss of his 50 foot trawl. Amount of Claim: $888.36

CLAIM NO. 84-2187

Nicholas Gonzales, of Meraux, LA, while trawling on the vessel, "Blue Persuasion," in Breton Sound, South of Deadman Island, at LORAN-C readings of 29,042.2 and 46,958.9, St. Bernard Parish, encountered a submerged tank on November 25, 1984, at approximately 6 a.m., causing loss of his trawl. Amount of Claim: $832.90

CLAIM NO. 84-2209

Herman Alfonso, of St. Bernard, LA, while trawling on the vessel, "Pancho Villa," in Breton Sound, Southeast of Point Gardner, St. Bernard Parish, encountered an unidentified submerged obstruction on November 29, 1984, at approximately 10:45 a.m., causing loss of his two 45 foot trawls, chain and shark tails. Amount of Claim: $1,678

CLAIM NO. 84-2221

Noel A. Usannaz, of New Orleans, LA, while trawling on the vessel "Gros Comme Ca," in Lake Pontchartrain, North of Little Woods, at approximate LORAN-C readings of 28,776.0 and 47,039.0, Orleans Parish, encountered an unidentified submerged obstruction on December 8, 1984, at approximately 7 p.m., causing damage to his 50 foot trawl. Amount of Claim: $450

CLAIM NO. 84-2222

Rodney Weiskopf, Sr., of Braithwaite, LA, while trawling

on the vessel, "Kurt N Gene," in Breton Sound, in the Mississippi River Gulf Outlet Channel, at approximate LORAN-C readings of 29,041.0 and 46,935.8, St. Bernard Parish, encountered a submerged pipeline on December 7, 1984, at approximately 10 a.m., causing loss of his 55 foot trawl and boards. Amount of Claim: $1,632.07

CLAIM NO. 84-2223

Peter Gerica, of New Orleans, LA, while trawling on the vessel, "Miss Lucy," in Lake Pontchartrain, West of South Point, at approximate LORAN-C readings of 28,820.0 and 47,049.5, Orleans Parish, encountered an unidentified submerged obstruction on December 9, 1984, at approximately 2 p.m., causing loss of his 50 foot trawl and boards. Amount of Claim: $1,053

CLAIM NO. 84-2224

Michael J. Russell, of New Orleans, LA, while trawling on the vessel, "Master Nicholas," in The Rigolets, East of Lake Pontchartrain, St. Tammany Parish, encountered an unidentified submerged obstruction on December 13, 1984, at approximately 1 p.m., causing loss of his 50 foot trawl. Amount of Claim: $640

CLAIM NO. 84-2230

Charles Ballas, of Metairie, LA, while trawling on the vessel, "Charlie B," in Bayou St. Denis, North of Barataria Bay, Jefferson Parish, encountered an unidentified submerged obstruction on November 20, 1984, at approximately 6:30 a.m., causing loss of his 50 foot trawl and boards. Amount of Claim: $1,111.20

CLAIM NO. 84-2236

Ricky R. Robin, of Yscloskey, LA, while trawling on the vessel, "Lil Rick," in Breton Sound, North of the Ship Channel at LORAN-C readings of 29,055.8 and 46,947.4, St. Bernard Parish, encountered submerged pilings on December 12, 1984, at approximately 12 p.m. causing loss of his two 50 foot trawls and cable. Amount of Claim: $5,000

CLAIM NO. 84-2246

Michael J. Mones Sr., of Chalmette, LA, while trawling on the vessel, "Lady Debbie," in the Gulf of Mexico, South of Barataria Pass, at approximate LORAN-C readings of 28,572.5 and 46,854.2, Jefferson Parish, encountered an unidentified submerged obstruction on December 6, 1984, at approximately 2 a.m., causing loss of his 65 foot siamese trawl and boards. Amount of Claim: $2,120

CLAIM NO. 84-2255

Stanley Weiskopf, Sr., of Braithwaite, LA, while trawling on the vessel, "Karen Susan," in Breton Sound, at LORAN-C readings of 28,965.2 and 46,920.1, Plaquemines Parish, encountered submerged pieces of pipe on December 18, 1984, at approximately 11 a.m., causing loss of his 50 foot trawl. Amount of Claim: $735

CLAIM NO. 84-2266

Mark Vogel, of Kenner, LA, while trawling on the vessel, "Fly Boy," in Lake Pontchartrain, Northwest of the Lakefront Airport, at approximate LORAN-C readings of 28,706.2 and 47,033.2, Orleans Parish, encountered an unidentified submerged obstruction on December 21, 1984, at approximately 4 p.m., causing loss of his 52 foot trawl and boards. Amount of Claim: $1,450

CLAIM NO. 84-2278

Felix Salvador Rotolo, of New Orleans, LA, while trawling on the vessel, "Italian Stallion," in Lake Borgne, at the mouth of Chef Menteur Pass, St. Bernard Parish, encountered an unidentified submerged obstruction on December 21, 1984, at approximately 8 a.m., causing loss of his trawl, cable and boards. Amount of Claim: $1,400

CLAIM NO. 84-2304

Ivo Quinhoes, of Venice, LA, while trawling on the vessel, "LA-2824-AE," in Catfish Bay, North of Pass A Loutre, at approximate LORAN-C readings of 29,078.0 and 46,832.4, Plaquemines Parish, encountered a submerged pipeline on February 15, 1985, at approximately 9 a.m., causing loss of his trawl and damage to his vessel. Amount of Claim: $5,000

Thursday, May 16, 1985, at 10 a.m., in the Lafitte City Hall, Lafitte, LA:

CLAIM NO. 84-1592

Henry J. Fazende, of Barataria, LA, while trawling on the vessel, "Typhoon #2," in Lake Salvadore, West of Bayou Villars and South of Bayou Couba, St. Charles Parish, encountered an unidentified submerged obstruction on June 5, 1984, at approximately 10:30 a.m., causing loss of his 52 foot trawl and 16 foot try net. Amount of Claim: $925

CLAIM NO. 84-1703

Henry J. Fazende, of Barataria, LA, while trawling on the vessel, "Typhoon #2," in Breton Sound, North of Baptiste Collette Bayou, at LORAN-C readings of 28,983.1 and 46,887.5, Plaquemines Parish encountered an unidentified submerged obstruction on July 1, 1984, at approximately 10:30 a.m., causing damage to his 52 foot trawl and boards. Amount of Claim: $1,105

CLAIM NO. 84-1839

Leonard DeQueant, of Bridge City, LA, while trawling on the vessel, "LA-4712-BB," in the Gulf of Mexico, South of the Empire Canal, Plaquemines Parish, encountered a piece of metal on August 5, 1984, at approximately 2 p.m., causing damage to his 45 foot trawl, cable and aluminum doors. Amount of Claim: $979

CLAIM NO. 84-2036

August Gisclair, Jr., of Barataria, LA, while trawling on the vessel, "Master Doyle," in the Gulf of Mexico, North of North Pass at LORAN-C readings of 29,110.2 and 46,835.0, Plaquemines Parish, encountered an unidentified submerged obstruction on September 25, 1984, at approximately 5:15 p.m., causing loss of his 16 foot try net. Amount of Claim: $160

CLAIM NO. 84-2066

James J. Arabie, of Lafitte, LA, while trawling on the vessel, "Lady Evelyn," in the Gulf of Mexico, West of Tiger Pass, at LORAN-C readings of 28,820.1 and 46,824.4, Plaquemines Parish, encountered an unidentified submerged obstruction on September 28, 1984, at approximately 7:15 p.m., causing damage to his trawl. Amount of Claim: $140.40

CLAIM NO. 84-2085

Nelvin J. Perrin, of Barataria, LA, while trawling on the vessel, "Rascals," in Bay De Chene, West of Grand Bayou, Lafourche Parish, encountered a boat shaft on October 9, 1984, at approximately 3 p.m., causing damage to his trawl and chain. Amount of Claim: $502.20

CLAIM NO. 84-2086

Leon Ruttley, of Marion, LA, while traveling on the vessel, "Mr. Mitch," in Bayou Rigolettes, East of the Harvey Cutoff, Jefferson Parish, encountered an unidentified submerged obstruction on October 21, 1984, at approximately 5 a.m., causing damage to his vessel. Amount of Claim: $815.85

CLAIM NO. 84-2100

Franklin Wiseman, of Barataria, LA, while trawling on the vessel, "Lil Franklin," in Delcambre Canal, 50 feet southeast of Canal Ice Plant, Iberia Parish, encountered an unidentified submerged obstruction on October 25, 1984, at approximately 1 p.m., causing damage to his vessel. Amount of Claim: $5,000

CLAIM NO. 84-2140

Harold P. Toups, Jr., of Westwego, LA, while trawling on the vessel, "Only Son," in the Gulf of Mexico, South of Quatre Bayou Pass, at approximate LORAN-C readings of 28,634.0 and 46,866.3, Jefferson Parish, encountered an unidentified sub-

merged obstruction on November 13, 1984, at approximately 9 a.m., causing loss of his 55 foot trawl and doors. Amount of Claim: $1,391

CLAIM NO. 84-2141

Harold P. Toups, Jr., of Westwego, LA, while trawling on the vessel, "Only Son," in the Gulf of Mexico, Southeast of Barataria Pass, at LORAN-C readings of 28,582.8 and 46,856.4, Jefferson Parish, encountered an unidentified submerged obstruction on November 12, 1984, at approximately 6:30 p.m., causing damage to his trawl and chain. Amount of Claim: $567.50

CLAIM NO. 84-2142

Harold P. Toups, Jr., of Westwego, LA, while trawling on the vessel, "Only Son," in the Gulf of Mexico, South of Barataria Pass, at approximate LORAN-C readings of 28,564.4 and 46,855.3, Jefferson Parish, encountered an unidentified submerged obstruction on November 11, 1984, at approximately 9:30 a.m., causing damage to his trawl. Amount of Claim: $252

CLAIM NO. 84-2149

August E. Despaux, Jr., of Barataria, LA, while trawling on the vessel, "Theresa Anne," in Barataria Bay, Northeast of Milligen Point, Jefferson Parish, encountered a spud pipe on November 12, 1984, at approximately 10 a.m., causing loss of his 50 foot trawl. Amount of Claim: $709.15

CLAIM NO. 84-2150

James J. Arabie, of Lafitte, LA, while trawling on the vessel, "Lady Evelyn," in Cat Bay, North of Quatre Bayou Pass, Plaquemines Parish, encountered an unidentified submerged obstruction on October 26, 1984, at approximately 8 a.m., causing damage to his vessel. Amount of Claim: $546.60

CLAIM NO. 84-2151

August Gisclair, Jr., of Barataria, LA, while trawling on the vessel, "Master Doyle," in East Bay, at LORAN-C readings of 28,906.3 and 46,784.2, Plaquemines Parish, encountered an unidentified submerged obstruction on October 19, 1984, at approximately 9 a.m., causing damage to his vessel. Amount of Claim: $675

CLAIM NO. 84-2207

Leonard Victoriano, of Barataria, LA, while trawling on the vessel, "Lady Rose," in Barataria Waterway, North of Bayou Fifi, Jefferson Parish, encountered a plastic ship rope on November 26, 1984, at approximately 5 a.m., causing damage to his vessel. Amount of Claim: $2,153.50

CLAIM NO. 84-2215

Allen Daigle, of Lafitte, LA, while trawling on the vessel, "In The Wind," in the Gulf of Mexico, East of Barataria Pass, at approximate LORAN-C readings of 28,574.0 and 46,864.4, Jefferson Parish, encountered an unidentified submerged obstruction on November 28, 1984, at approximately 8 a.m., causing damage to his vessel. Amount of Claim: $511.93

Any written objections to these claims must be received by the close of business on May 13, 1985. Any person may submit evidence or make objections in person at the hearings. Written comments must be mailed to: B. Jim Porter, Secretary, Department of Natural Resources, Box 44124, Capitol Station, Baton Rouge, LA 70804.

B. Jim Porter
Secretary

POTPOURRI

Department of Revenue and Taxation
Tax Commission

The Louisiana Tax Commission will hold a public hearing on May 21, 1985, at 10 a.m., in the Tax Commission Hearing Room, 923 Executive Park Avenue, Baton Rouge, LA. The purpose of this hearing is to disclose the findings of ratio studies on commercial improvements throughout the state. The commission will also conduct any further business that comes before it.

Jamar W. Adcock
Chairman

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L—Legislation N—Notice of Intent P—Potpourri
PPM—Policy and Procedure Memorandum R—Rule

ENVIRONMENTAL QUALITY DEPARTMENT

EXECUTIVE ORDERS

GOVERNOR'S OFFICE

HEALTH AND HUMAN RESOURCES DEPARTMENT

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