The Department of Health, Bureau of Health Services Financing repeals LAC 50:III.Chapters 201 and 205 in the Medical Assistance Program as authorized by R.S. 36:254 and pursuant to Title XXI of the Social Security Act. This Emergency Rule is promulgated in accordance with the provisions of the Administrative Procedure Act, R.S. 49:953(B)(1) et seq., and shall be in effect for the maximum period allowed under the Act, or until adoption of the final Rule, whichever occurs first.

Section 4901 of the Balanced Budget Act of 1997 [P.L. 105-33], established provisions for the Children’s Health Insurance Program (CHIP) under Title XXI of the Social Security Act to provide health insurance coverage to uninsured, low-income children through an expansion of existing Medicaid programs, creation of stand-alone programs or a combination of both. The Department of Health, Bureau of Health Services Financing implemented a combination of both programs, called the Louisiana Children’s Health Insurance Program (LaCHIP), which provided coverage to uninsured children up to 250 percent of the federal poverty level.

Federal authority for CHIP ended on September 30, 2017 and has not been reauthorized. Because the federal authority has not been reauthorized, federal financial participation will no longer be available for CHIP expenditures once current funding has been exhausted.

As a result of the lack of federal matching funds for LaCHIP, the department proposes to repeal the provisions of LAC 50:III.Chapters 201 and 205 in order to terminate coverage of uninsured children under the Title XXI CHIP authority. Children who currently receive services through LaCHIP will be transitioned to the Optional Targeted Low-Income Children coverage group upon the termination of this program, and will continue to receive Medicaid with no break in coverage.

This action is being taken to avoid a budget deficit in the Medical Assistance Program. It is estimated that implementation of this Emergency Rule will reduce expenditures in the Medicaid Program for LaCHIP by approximately $295,925,166 for state fiscal year 2017-18.

Effective December 28, 2017, the Department of Health, Bureau of Health Services Financing amends the provisions governing the Louisiana Children’s Health Insurance Program in order to terminate coverage of uninsured children.
Medicaid Services (CMS), if it is determined that submission to CMS for review and approval is required.

Interested persons may submit written comments to Jen Steele, Bureau of Health Services Financing, P.O. Box 91030, Baton Rouge, LA 70821-9030 or by email to MedicaidPolicy@la.gov. Ms. Steele is responsible for responding to inquiries regarding this Emergency Rule. A copy of this Emergency Rule is available for review by interested parties at parish Medicaid offices.

Rebekah E. Gee MD, MPH
Secretary

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