

SENATE BILL NO. 238

BY SENATORS MCPHERSON AND HINES AND REPRESENTATIVES SALTER,
TOWNSEND, DORSEY, DURAND, LAFLEUR, CAZAYOUX, ST.
GERMAIN, ELCIE GUILLORY, HILL, PINAC AND GRAY

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

1 AN ACT

2 To enact Subpart N of Part II-A of Chapter 1 of Subtitle I of Title 39 of the Louisiana
3 Revised Statutes of 1950, to be comprised of R.S. 39:100.51, relative to state funds;
4 to establish the Health Care Redesign Fund as a special treasury fund; to provide for
5 the deposit, use, and investment of monies in the fund; to provide for an effective
6 date; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. Subpart N of Part II-A of Chapter 1 of Subtitle I of Title 39 of the
9 Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.51, is hereby enacted to read
10 as follows:

11 **SUBPART N. HEALTH CARE REDESIGN FUND**

12 **§100.51. Health Care Redesign Fund**

13 **A. The legislature hereby finds that there is a critical need for health**
14 **care services in areas of the state affected by the hurricanes of 2005. It further**
15 **finds that the existing health care delivery system experienced severe stresses**
16 **during its response to these disasters and that redesign of the system of health**
17 **care delivery is desirable and necessary in both the hurricane-affected areas of**
18 **Louisiana and on a statewide basis. The Health Care Redesign Collaborative,**
19 **as established by House Concurrent Resolution Number 127 of the 2006**
20 **Regular Session of the Louisiana Legislature, has completed its work and**
21 **submitted a final report that recommended the development of Medical Home**
22 **and Health Information Technology Systems and the Louisiana Health Care**

1 Quality Forum. The legislature further finds that this redesign effort will
2 require both transitional and permanent changes in the state's medical
3 assistance programs and their financing. It is the purpose of this Subpart to
4 establish a mechanism for accumulating and distributing financial resources
5 associated with this redesign effort.

6 B. There is hereby established in the state treasury, as a special fund, the
7 Health Care Redesign Fund, hereinafter referred to as the "fund."

8 C. The source of monies deposited into the fund shall be any monies
9 appropriated annually by the legislature including federal funds, donations,
10 gifts, or grants, and any other monies which may be provided by law. The
11 monies in this fund shall be appropriated, administered, and used solely for the
12 purpose of supporting initiatives for the redesign and improved efficiency of the
13 health care system in Louisiana, as provided in Subsection D of this Section. All
14 unexpended and unencumbered monies in this fund at the end of the fiscal year
15 shall remain in the fund. The monies in the fund shall be invested by the state
16 treasurer in the same manner as monies in the state general fund, and interest
17 earned on the investment of monies shall be credited to this fund.

18 D. Monies in the fund shall be appropriated and used solely to pay costs
19 and expenses associated with the following health care initiatives and services:

20 (1) Development of a medical home to serve the low income uninsured
21 population and reduce the incidence of emergency room services.

22 (2) Funding to maintain, administer and improve the following health
23 care areas:

24 (a) Essential behavioral health services in the Department of Health and
25 Hospitals including mental health services and addictive disorders services.

26 (b) Recommendations for statewide mental health system improvements
27 contained in Louisiana's Plan for Access to Mental Health Care.

28 (c) Expansion of health insurance through the state's Medicaid program.

29 (d) Reengineering of the state's vital records system to reconstitute
30 records lost or damaged as a result of Hurricane Katrina or Hurricane Rita,

1 and to provide for effective creation, storage, and retrieval of such records.

2 (e) Provision of services that are expected to achieve improved standards
3 of care and better health outcomes for the following:

4 (i) Essential developmental disabilities, substance abuse and mental
5 health services by the Department of Health and Hospitals.

6 (ii) Essential adult and aging services by the Department of Health and
7 Hospitals.

8 (iii) Essential public health services by the Department of Health and
9 Hospitals.

10 (iv) Essential primary and preventive health care services by the
11 Department of Health and Hospitals.

12 (v) Health care services provided via the Medicaid program operated by
13 the Department of Health and Hospitals, including the enhancement of provider
14 reimbursement rates that improves Medicaid enrollee access to care, provided
15 that such care is consistent with the goals of this redesign effort.

16 (3) Initiatives of the Louisiana Health Care Quality Forum designed to
17 improve the quality of health and health care throughout Louisiana in a cost
18 effective, transparent manner and within a safe, peer-protected environment.

19 (4) Initiatives to further the adoption and use of health information
20 technology as it relates to improving the quality, efficiency, cost, and safety of
21 health care for Louisiana residents, including but not limited to implementation
22 of national Health Information Technology/Health Information Exchange
23 standards at the state and local levels, building of the health information
24 exchange infrastructure, and adoption of electronic medical records and other
25 clinical information and decision support systems at the health care provider
26 level.

27 (5) Assistance for health care workforce development and employee
28 retention which shall include: training; student loan repayment; physician
29 payments for uncompensated care; and also transitional support for medical
30 practitioners who provide comprehensive, continuing, and outcome-based

1 patient care for Medicaid and uninsured patients in the Department of Health
2 and Hospitals Regions 1 and 5.

3 E. In considering any new initiative to be supported by this fund, the
4 secretary of the Department of Health and Hospitals shall determine that such
5 initiative, at a minimum, meets the following criteria:

6 (1) Is designed to improve health care outcomes of affected populations.

7 (2) Is an efficient, effective use of physical, professional, and financial
8 resources.

9 (3) Is subject to continuous monitoring and, where necessary, may be
10 modified to avoid undesirable outcomes.

11 (4) Is sustainable over the time period for which such initiative is
12 expected to operate.

13 Section 2. This Act shall become effective upon signature by the governor or, if not
14 signed by the governor, upon expiration of the time for bills to become law without signature
15 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
16 vetoed by the governor and subsequently approved by the legislature, this Act shall become
17 effective on the day following such approval.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____