

EXECUTIVE ORDER MJF 96-17

Medically Needy Program

WHEREAS: at any given period of time, approximately 4,000 citizens of the state of Louisiana are considered "medically needy" since they have excessive medical bills, yet earn salaries which exceed the maximum allowed for standard Medicaid eligibility;

WHEREAS: medical assistance for the "medically needy" of this state who do not qualify for standard Medicaid had been provided by the Medically Needy Program, a special federally-funded program operating within the ambit of Medicaid;

WHEREAS: federal budget cuts limited the amount of federal funds available for discretionary Medicaid programs such as the Medically Needy Program and the Louisiana Legislature did not have sufficient funds to allocate the \$60,000,000 needed to fund the Medically Needed Program in the General Appropriations Bill of 1996-97;

WHEREAS: a gradual phase-out of the Medically Needy Program could not be accomplished for the nearly 4,000 citizens of the state of Louisiana who presently receive benefits under the program because federal rules and regulations require that, if any federal funds are to be expended on the program, the Medically Needy Program must be fully implemented and continuously admitting new applicants;

WHEREAS: written notice was issued to the citizens of the state of Louisiana who are receiving benefits under the Medically Needy Program, advising them that the program would be terminated, effective July 1, 1996;

WHEREAS: many of the state's Medically Needy Program beneficiaries became imperiled as a result of the termination of the program for reasons such as the cost of the nursing home care for their loved ones, or the cost of their cancer treatment or previously scheduled surgery would cause them financial devastation; and

WHEREAS: the Louisiana Senate enacted Senate Concurrent Resolution Number 66 which urges and requests the governor, the commissioner of administration, and the secretary of the Department of Health and Hospitals to "work diligently, creatively, and resourcefully to find a method to financially support the Medically Needy Program";

NOW THEREFORE I, M. J. "MIKE" FOSTER, JR., Governor of the state of Louisiana, by virtue of the Constitution and the laws of the state of Louisiana, do hereby create the Louisiana Medically Needy Program within the Department of Health and Hospitals, and do hereby order and direct as follows:

SECTION 1: That the secretary of the Department of Health and Hospitals and the commissioner of administration secure a means of financing, without use of federal funds, the Louisiana Medically Needy Program.

SECTION 2: That participants in the Louisiana Medically Needy Program be strictly limited to those citizens of Louisiana who are participating in or who have applications pending for their participation in the Medically Needy Program as of June 30, 1996.

SECTION 3: That the secretary of the Department of Health and Hospitals promulgate emergency rules to implement the Louisiana Medically Needy Program and to pattern it after the federally-funded Medically Needy Program, except that no new applicants for the program be accepted on or after July 1, 1996.

SECTION 4: That the secretary of the Department of Health and Hospitals and the commissioner of administration present a proposal for funding the Louisiana Medically Needy Program to the Joint Legislative Committee on the Budget for its review and approval.

SECTION 5: That the Department of Health and Hospitals implement the Louisiana Medically Needy Program effective July 1, 1996.

SECTION 6: That the provisions of this order are effective upon signature and shall remain in effect through June 30, 1997, unless amended, modified, or rescinded prior to that date.

IN WITNESS WHEREOF, I have 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 28th day of June, 1996.

M. J. "Mike" Foster, Jr.
Governor

ATTEST BY
THE GOVERNOR
Fox McKeithen
Secretary of State
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