



**Weathering the Storm: The Impact of the Great
Recession on Long-Term Services and Supports**
State Profile: LOUISIANA

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INTRODUCTION

Weathering the Storm: The Impact of the Great Recession on Long-Term Services and Supports is the most comprehensive analysis to date on the budget cuts to both Medicaid and non-Medicaid funded long-term services and supports (LTSS) in each state. It also illustrates state-by-state how LTSS are financed. In addition, this study provides a very early snapshot of the likelihood of states pursuing some of the LTSS provisions within the Affordable Care Act (ACA).

Weathering the Storm contains several components:

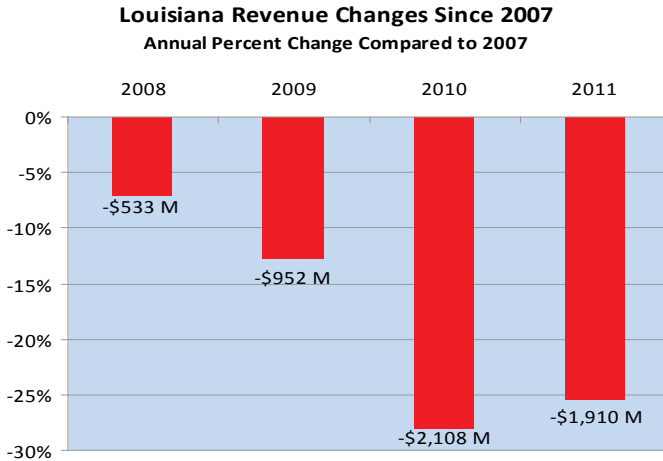
- The full report with an overview of findings and state-by-state tables;
- State profiles, which are 4 to 5 pages in length, for each state that participated in the study;
- An In Brief, which is a short synopsis; and
- A videotaped interview about the key findings.

Hard copies of *Weathering the Storm* are available free of charge. To order, please call the AARP Public Policy Institute at (202) 434-3890 or email jgasaway@aarp.org.

All of the components of *Weathering the Storm* are also available on the web and can be found at www.aarp.org/ppi, www.nasuad.org, and www.healthmanagement.com.

LOUISIANA

TAX COLLECTIONS



Source: HMA analysis of state tax collection data from the National Association of State Budget Officers (NASBO), Spring Fiscal Survey of States, 2008 (for baseline 2007 data); Spring Fiscal Survey of States, 2009 (for 2008 data) and Spring Fiscal Survey of States, 2010 (for 2009 actual, 2010 estimated, and 2011 projected). Revenue represents the following taxes if collected by the state: **Personal Income, Corporate, and Sales**. Percent change and change in amount collected (in millions) represents the divergence between the state fiscal year noted and baseline SFY 2007.

ARRA FUNDING

IMPACT OF ARRA ENHANCED MEDICAID FMAP EXPIRATION

- The impact of the expiration of enhanced FMAP is expected to be severe.

PREDICTED IMPACT OF THE EXPIRATION OF THE ARRA NUTRITION FUNDING

- Waiting lists will increase.

STATE UNIT ON AGING AND DISABILITY (NON-MEDICAID) SERVICES

STATE UNIT ON AGING NUMBER SERVED (UNDUPLICATED)

SFY 2009 (actual)	SFY 2010 (projected)	SFY 2011 (projected)	% Change SFY 2009–2011
None Listed	None Listed	None Listed	NA

STATE UNIT ON AGING TOTAL EXPENDITURE REDUCTIONS – ACTION TAKEN

SFY 2009–2010	SFY 2010–2011
None Listed	None Listed

STATE UNIT ON AGING SERVICE DEMAND AND EXPENDITURE CHANGES

Program	Change in Expenditures		Change in Service Requests SFY 2009–2010
	SFY 2009–2010	SFY 2010–2011	
Adult Foster Care			
Adult Day Care			
Adult Protective Services			
Assisted Living			
Behavioral Supports			
Case Management			
Chore			
Community Transition			
Congregate Meals			
Day Habilitation			
Disease Prevention/Health Promotion			
Elder Abuse Prevention			
Environmental Modifications			
Equipment and Supplies			
Family Caregiver Support			
Food Stamps/Supplemental Nutrition Assistance Program	■	■	
Foreclosure Counseling			
Homemaker			
Home-Delivered Meals			
Housing Assistance			
Information and Referral			
Legal Assistance Development			
LIHEAP	■	■	
Long-Term Care Ombudsman			
Nutritional Supplements			
Occupational Therapy			
Personal Care/Assistance			
Physical Therapy			
Recreational Therapy			
Residential Habilitation			
Respite			
Senior Community Service Employment Program			
Senior Centers			
Speech Therapy			
State Adult Guardianship Program			
State Pharmaceutical Assistance			
Supported Employment			
Supported Living			
Transportation			
+ Expenditure/demand increase	0	No change in expenditure/demand	DK Don't know
- Expenditure/demand decrease	NA	Program not administered by SUA	

- As other services are cut, more calls come into the Elderly Abuse unit.

LOUISIANA

STATE UNIT ON AGING NON-MEDICAID HCBS EXPENDITURES

SFY 2009 (actual)	SFY 2010 (projected)	SFY 2011 (appropriation)	% Change SFY 2009–2010
None Listed	None Listed	None Listed	NA

MEDICAID LONG-TERM SERVICES & SUPPORTS

NUMBER OF BENEFICIARIES: WAIVERS & NURSING FACILITIES

Waiver Name	Avg. Daily Caseload			% Change
	SFY 2009	SFY 2010	SFY 2011 (planned)	SFY 2009–2010
Adult Day Health Care (ADHC)	768	766	768	0%
Elderly and Disabled Adult (EDA)	3,926	3,928	4,180	0%
Nursing Facility Services		Avg. Daily Census 2010		Expected Change 2011
NF Average Daily Census*		18,117		Decrease

- The state's historical trend shows a decrease in nursing facility days.

LTSS EXPENDITURES (FEDERAL AND STATE)

Service	SFY 2009	SFY 2010 (Estimate)	SFY 2011 (Appropriation)	% Change SFY 2009–2010
HCBS Waivers (For Older People and Adults with Physical Disabilities)	\$70,589,563	\$56,453,102	\$103,523,904	-20%
Medicaid LTSS State Plan	\$281,202,327	\$282,595,124	\$197,461,334	0%
Nursing Facility	\$738,623,579	\$758,264,605	\$733,384,494	3%

- The state reduced EDA waiver individual budget limits per person based on acuity in SFY 2010 to address budget neutrality issues. In SFY 2011, applying acuity-based resource allocation for waiver services, Louisiana was able to increase the number of individuals served through its waiver programs.

LTSS PROVIDER PAYMENT RATE CHANGES

Provider Type	SFY 2009–2010 % change	SFY 2010–2011 % change
Nursing Home	+5.4%	+4.5%
Home Health	-4.6%	0
Personal Care Services	-4.8%	-10.25%
HCBS Waiver Services	+6%	-7.61%
+ Provider rate increase - Provider rate decrease 0 No change in provider rate		NA Not applicable

- Adult Day Health Care rate was rebased in SFY 2010. No other changes to waiver services rates were made during that year.



OPTIONS, OUTLOOK, AND PROMISING PRACTICES

The Medicaid agency and State Unit on Aging were asked about their intent to pursue options under health care reform, to provide their thoughts on the outlook for LTSS, and to share promising practices in their state. This section combines information from both agencies if both agencies responded. See the Overview for descriptions of these provisions.

State's Intent to Pursue LTSS Provisions in the Affordable Care Act	Very Likely	Somewhat Likely	Not Likely	Don't Know
State Balancing Incentive Program			X	
Community First Choice Option		X		
Money Follows the Person Demonstration				
1. Apply for new program				
2. Apply for extension of existing program	X			
Medical/Health Home Initiative				
1. Agency applying for planning grant		X		
2. State plan amendment to establish medical/health home services		X		
3. Apply to establish community health teams		X		

STATE PRIORITIES: 18–24 MONTHS

- The agency's priorities will depend on whether there is any additional FMAP relief and the state budget.

STATE ISSUES

- Decline in state revenues.
- Loss of enhanced ARRA FMAP as well as decreased FMAP based on short-term post-Katrina economy.
- Reduction of state workforce due to layoffs, hiring freezes, and attrition: expected to be detrimental to implementing program improvements and responding to federal policy changes.

STATE PROMISING PRACTICES

- Implementation of acuity-based resource allocation for home and community based services (HCBS) using a comprehensive assessment (MDS-HC) that provides the basis for individual budget limits for waiver and hourly service limits for State plan personal care attendant services. This approach has reduced expenditures and allowed 2,200 additional individuals to be served during SFY 2010 with no change in rate of admissions from HCBS to nursing facilities.

The information in this profile represents information available to state officials at a point in time. Surveys were conducted from June through September 2010. Louisiana's fiscal year begins July 1 and ends June 30.