

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 468** HLS 21RS 933

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 6, 2021	11:20 AM	Author: LANDRY
Dept./Agy.: LDH/Medicaid		Analyst: Shawn Hotstream
Subject: Postpartum coverage		

MEDICAID EG +\$738,954 GF EX See Note Page 1 of 1
Provides relative to extension of medicaid coverage for an individual experiencing postpartum

Proposed law requires LDH to provide postpartum medicaid coverage for one year after the pregnancy ends for eligible pregnant individuals who qualify under the state's Medicaid plan. Proposed law requires Centers for Medicare and Medicaid (CMS) approval. Proposed law further provides that LDH shall not furnish any coverage until the legislature has appropriated the funding necessary for the provision of such coverage.

EXPENDITURES	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	\$738,954	\$4,337,797	\$4,427,181	\$4,518,496	\$4,611,788	\$18,634,216
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$1,108,867	\$1,135,049	\$1,161,913	\$1,189,476	\$4,595,305
Federal Funds	\$2,239,641	\$14,714,547	\$15,075,030	\$15,445,273	\$15,825,567	\$63,300,058
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$2,978,595	\$20,161,211	\$20,637,260	\$21,125,682	\$21,626,831	\$86,529,579

REVENUES	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$1,108,867	\$1,135,049	\$1,161,913	\$1,189,476	\$4,595,305
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$1,108,867	\$1,135,049	\$1,161,913	\$1,189,476	\$4,595,305

EXPENDITURE EXPLANATION

Extending postpartum coverage for women who would otherwise been removed after the 60-day postpartum period will significantly increase Medicaid expenditures. Implementation is subject to CMS approval. The fiscal note assumes up front costs in FY 22 for technology system changes, as well as extending the postpartum coverage beginning April 1, 2022, (to coincide with a start date aligning with the American Rescue Plan Act). Out years reflect annualized impact of extending coverage for full Medicaid benefits from 60 days to 12 months.

The following assumptions were used in preparing this fiscal note:

- Utilized FY 2018 data.
- Included women that lost coverage after the 60-day postpartum period and did not qualify for other Medicaid coverage.
- Cost based on approximately 56,328 additional months of coverage in FY 22, 70,381 in FY 23, and 71,000 in out years.
- FY 22 per member per month (PMPM) payments for these women range from \$261.77 to \$1,484 based on their eligibility group (with the majority, or 89%, falling under the lower PMPM of \$261.77)
- Admin. costs for IT system changes to recognize eligibility to 12 months (2,500 hours @ \$130 hr, or \$325,000 in FY 22).

REVENUE EXPLANATION

Statutory Dedication revenues reflected in the revenue table above are generated from the 5.5% premium tax on health premiums.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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