

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 166** SLS 20RS 188

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

REVISED

Date: May 14, 2020	2:13 PM	Author: HEWITT
Dept./Agy.:		Analyst: Shawn Hotstream
Subject: Medicaid forecast		

FISCAL CONTROLS OR INCREASE GF EX See Note Page 1 of 2
Provides for forecasting of the Medicaid program. (gov sig)

Proposed law repeals the Medicaid subcommittee (R.S. 39:21.3(E)(4) and (5)), and establishes a Medicaid Estimating Conference. The Medicaid Estimating Conference shall develop the official forecast of the Medicaid program for the purposes of budget development and enactment each fiscal year and development of a five year baseline budget projection for the Medicaid program. Proposed law provides for the factors that the conference shall consider when developing the forecast.

Proposed law provides for Principals of the conference: a) the president of the Senate (or designee) including an interim member; b) the speaker of the House of Representatives (or designee) who may be a member of the JLCB, including an interim member; c) the chairman of the Senate Committee on Finance (or designee from the committee); d) the chairman of the House Committee on Appropriations (or designee from the committee); e) the chairman of the Senate Committee on Health and Welfare (or designee from the committee); f) the chairman of the House Committee on Health and Welfare (or designee from the committee); g) the commissioner of administration (or designee); h) the secretary of the Louisiana Department of Health (or designee); i) a faculty member specializing in healthcare economics from a public or private university in the state that is selected by the principle members from qualifying applicants submitted by the Board of Regents. **See page 2**

EXPENDITURES	2020-21	2021-22	2022-23	2023-24	2024-25	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						
REVENUES	2020-21	2021-22	2022-23	2023-24	2024-25	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

This measure requires a member of Senate, House, and LFO staff with fiscal expertise on the Medicaid program to serve as participants of the Medicaid Estimating Conference. Additionally, this measure further appears to require a healthcare economist from the Legislative Fiscal Office to serve as a participant to the Medicaid Estimating Conference. The individual will specialize in healthcare economics and possess experience forecasting healthcare expenditures. This position will be designated by the legislative fiscal officer. Currently, the LFO does not employ a healthcare economist. Based on salary information provided by LDH, the salary range for a senior economist (economist 6) that currently works in the department is between \$77,916 and \$153,336 (plus related benefits).

The proposed bill will increase SGF expenditures of the legislature as a result of per diem and travel allowances per meeting for attending legislators. The current legislative per diem is \$161, and travel mileage allowance is approximately 57.5 cents per mile. The conference shall meet at least 3 times per fiscal year.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

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}

Evan Brasseaux
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Staff Director

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CONTINUED EXPLANATION from page one:

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Proposed law provides for participants to the Medicaid Estimating Conference that may provide information for the conference's consideration in developing its forecasts. Participants include a) a member of the professional staff of LDH specializing in healthcare economics and possessing experience forecasting healthcare expenditures; b) professional staff of the LFO specializing in healthcare economics and possessing experience forecasting healthcare expenditures (designated by the legislative fiscal officer); c) members of the staff of the Senate, House of Representatives, LFO, or division of administration with fiscal expertise on the Medicaid program; d) members of the staff of LDH with expertise on the administration, operating or financing of the Medicaid program; e) any other person invited to participate in the conference by a principal.

Proposed law provides conference meeting times (at least 3 times per year) , and the Principal to preside over meetings. Proposed law provides that the conference may go into executive session (with approval of a majority of the principals) to discuss records or matters entitled to confidential status by existing state or federal laws.

Proposed law provides that the president of the Senate shall designate a member of the professional staff of the Senate with fiscal expertise on the Medicaid program to staff the conference.

Proposed law provides that the conference shall submit each adopted forecast to the JLCB for its review. The chairman of the JLCB shall place the presentation of the Medicaid forecast on the agenda for discussion at the next month's regular meeting following the submission by the conference.

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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