



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 91** HLS 21RS 136
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 26, 2021	8:39 AM	Author: ECHOLS
Dept./Agy.: LDH/Medicaid		Analyst: Shawn Hotstream
Subject: non emergency medical transportation		

MEDICAID OR INCREASE GF EX See Note Page 1 of 1

Authorizes transportation network companies to provide nonemergency medical transportation services through the state Medicaid program

Proposed law authorizes transportation network companies to connect a driver to a rider for the purpose of providing non emergency medical transportation (NEMT) services within the state through the Louisiana Medicaid program. Proposed law prohibits LDH from requiring any driver affiliated with a transportation network company to enroll as a NEMT provider in the Louisiana Medicaid program in order for any NEMT services provided to Medicaid enrollees by the driver through a companies digital network to be eligible for Medicaid reimbursement. Proposed law provides that LDH promulgate rules by October 1, 2021, but authorizes that any transportation network company that contracts with a transportation broker may facilitate NEMT services on or after the effective date of the proposed law. Proposed law provides that no driver may provide NEMT services to a Medicaid enrollee through a transportation network company's digital network prior to the completion of a criminal background check on the driver. Proposed law provides that LDH may require a transportation network company to be under contract with a transportation broker that is under contract with a Medicaid managed care organization, LDH, or company licensed by the Department of Transportation and Development. Proposed law provides that no ambulance, emergency medical response vehicle or EMS practitioner shall be used for NEMT services.

EXPENDITURES	2021-22	2022-23	2023-24	2024-25	2025-26	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	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						

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	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						

EXPENDITURE EXPLANATION

Proposed law is anticipated to increase Medicaid expenditures in FY 22 and future years as a result of adding a new provider type (transportation network companies) that may provide non emergency medical transportation (NEMT) to Medicaid enrollees, and be reimbursed by Medicaid. The fiscal impact in the illustration below reflects new Medicaid costs associated with an increase in NEMT utilization. The utilization increase is associated with a projected 1% increase in new trips and additional usage related to missed trips (provider based missed trips and member based missed trips). LDH indicates transportation network companies that would be eligible for Medicaid reimbursement include companies such as Uber and Lyft. The illustration below reflects a \$2.8 M total fiscal impact to Medicaid in FY 22 based on the following assumptions and calculations.

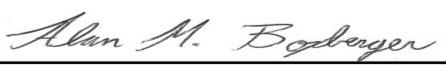
1. Base year number of trips (2019) = 1,831,407.
2. Utilization increase assumed on historical missed trips that were due to transportation provider (100% of provider missed trips, equaling 2.36% or 43,235 missed trips) or a portion associated with the member (15% of total member missed trips, or 48,118 trips).
3. Average of \$15 charged per ride, \$30 round trip.
4. Estimated utilization increase could be overstated due to prevalence of COVID.
5. Fiscal note assumes FY 22 implementation date.

Fiscal year	Increase in trips	Total projected cost @ \$30 a round trip
FY 22	91,353	\$2,740,590 (\$540,043 SGF match)
FY 23	94,093	\$2,822,790 (\$598,713 SGF match)
FY 24	95,034	\$2,851,020 (\$604,700 SGF match)
FY 25	95,984	\$2,879,520 (\$610,747 SGF match)
FY 26	96,944	\$2,908,320 (\$616,855 SGF match)

REVENUE EXPLANATION

To the extent Medicaid per member per month capitation rates increase as a result of this measure, premium tax revenues generated will increase. The MCO premium tax is 5.5% of total premiums.

Senate	Dual Referral Rules	House
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}		<input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}


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