

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 135** SLS 24RS 455

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

| | | |
|-----------------------------------|---------|---------------------------------|
| Date: April 24, 2024 | 6:28 PM | Author: DUPLESSIS |
| Dept./Agy.: LDH | | Analyst: Shawn Hotstream |
| Subject: Medicaid coverage | | |

MEDICAID EG +\$7,769,540 GF EX See Note Page 1 of 1
Requires the Department of Health to amend the Medicaid state plan to include certain additional pregnancy and postpartum coverage. (7/1/25)
Proposed law provides Medicaid postpartum coverage for 12 months for certain eligible women.

| EXPENDITURES | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 5 -YEAR TOTAL |
|---------------------|------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| State Gen. Fd. | \$0 | \$7,769,540 | \$7,847,272 | \$7,925,952 | \$8,005,579 | \$31,548,343 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | \$0 | \$1,600,522 | \$1,616,513 | \$1,632,700 | \$1,649,083 | \$6,498,818 |
| Federal Funds | \$0 | \$19,874,827 | \$20,073,624 | \$20,274,845 | \$20,478,490 | \$80,701,786 |
| Local Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Annual Total | \$0 | \$29,244,889 | \$29,537,409 | \$29,833,497 | \$30,133,152 | \$118,748,947 |

| REVENUES | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 5 -YEAR TOTAL |
|---------------------|------------|-----------|-----------|-----------|-----------|---------------|
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | \$0 | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Annual Total | \$0 | | | | | \$0 |

EXPENDITURE EXPLANATION

Providing 12 months postpartum Medicaid coverage for all pregnant women with an income up to 185% of the federal poverty level is anticipated to result in a significant increase in Medicaid expenditures annually. Based on the number of projected eligibles that would receive additional benefits, costs are estimated to be approximately \$28.9 M in FY 25, increasing in future fiscal years. The estimate is based on the following assumptions.

- 1). Utilized FY 23 actual data
- 2). Estimate 8,117 citizens and qualified non citizen women that earned below 185% of the FPL
- 3). 12 month cost after delivery is estimated to be \$3,532 per individual
- 4). Project 1% increase in the number of eligibles a year
- 5). State match calculated based on 32.04%, Federal 67.96%
- 6). Effective date July 1, 2025

REVENUE EXPLANATION

Statutory dedication revenues are generated from a 5.5% tax on managed care 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}

Patrice Thomas
Deputy Fiscal Officer