



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 295** SLS 26RS 621
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.: **REVISED**

Date: May 3, 2026	3:41 PM	Author: WHEAT
Dept./Agy.: Louisiana Department of Insurance		Analyst: Anthony Shamis
Subject: Insurance Coverage for persons with acquired brain injury		

HEALTH/ACC INSURANCE EG INCREASE GF EX See Note Page 1 of 2
 Provides for insurance coverage of services for persons with acquired brain injuries. (8/1/26)

Proposed law requires every health coverage plan delivered or issued for delivery in Louisiana to provide, to the extent permitted by federal law, coverage for medically necessary treatment related to or as a result of an acquired brain injury. Proposed law provides that coverage for the treatment related to or as a result of an acquired brain injury shall not be subject to any greater deductible, coinsurance, copayments, or out-of-pocket limits than any other similar benefit provided by the health coverage plan. Proposed law provides for definitions related to the treatment related to or as a result of an acquired brain injury, and excludes plans providing coverage for excepted benefits as defined in R.S. 22:1061, such as, the Office of Group Benefits (OGB), Medicaid, and Medicare from the definition of a "health coverage plan".

Proposed law applies to any new policy, contract, program, or health coverage plan issued on and after January 1, 2027. Any policy, contract, or health coverage plan in effect prior to January 1, 2027, shall conform to the provisions of this act on or before the renewal date, but no later than January 1, 2028.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	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	2026-27	2027-28	2028-29	2029-30	2030-31	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

Note: This fiscal note has been revised to incorporate an updated expenditure impact to the Louisiana Department of Insurance (LDI) resulting from analysis conducted in conjunction with its consulting actuary.

Proposed law is anticipated to increase SGF expenditures within the healthcare exchanges by \$300,000 to \$1.9 M for six months (effective 1/01/27) in FY 27 associated with a mandate on health insurance policies issued through the insurance exchanges, with costs increasing in FY 28 and subsequent fiscal years to reflect a full 12 months of implementation (ranging from \$600,000 to \$4 M SGF). Under the Affordable Care Act (ACA), any state benefit, through legislative or regulatory action, that exceeds what is considered an essential health benefit (EHB) would subject the state to defrayal costs.

Insurance Exchange Impact (\$300,000 - \$1.9 M SGF - Defrayal Costs):

Proposed law is anticipated to increase SGF expenditures in FY 27 and subsequent fiscal years according to an analysis provided by the health actuary at LDI. The state would be required to fund health claims expenditures associated with providing coverage of services for covered individuals with acquired brain injuries as required by the proposed law for policies issued by qualified health plans through the health insurance exchange beginning in FY 27 (effective date of 1/01/27) with estimated claims costs of \$300,000 (low) to \$1.9 M (high). Defrayal costs associated with the proposed law would be paid out by the State Treasury Department. LDI bases this analysis on the following assumptions: (1) Required coverage applicable to policies issued on and after January 1, 2027, and renewal conversions occurring no later than January 1, 2028. (2) The exchange population is expected to be approximately 300,000. (3) The estimated cost of \$0.17 PMPM (low) to \$1.06 PMPM (high) over the entire insured population. (4) FY 27 is prorated for six months. (5) Annual medical inflation (MI) is assumed to be 5% (low) and 7% (high). (6) Some of the mandated benefits are covered under the current exchange provisions. If the portion of benefits currently covered is between 50% and 75% of the total cost, the additional benefits are expected to increase total premiums by the amounts indicated below.

	FY 26-27*	FY 27-28	FY 28-29	FY 29-30	FY 30-31	Total
Low	\$ 300,000	\$ 600,000	\$ 700,000	\$ 700,000	\$ 800,000	\$ 3,100,000
High	\$1,900,000	\$4,000,000	\$4,300,000	\$4,600,000	\$4,900,000	\$19,700,000

*FY 27 expenditures have been pro-rated to reflect the 1/01/27 benefit coverage effective date.

EXPENDITURE EXPLANATION CONTINUED ON PAGE TWO

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}

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Legislative Fiscal Officer



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CONTINUED EXPLANATION from page one:

EXPENDITURE EXPLANATION CONTINUED FROM PAGE ONE

Aggregate Cost Determination (prepaid for 12 months)
(exchange population x PMPM cost x 12 months)
FY 27 (Low) - 300,000 x \$0.17 PMPM x 12 months = \$ 612,000
FY 27 (High) - 300,000 x \$1.06 PMPM x 12 months = \$3,816,000

Aggregate Cost Determination (prepaid for 6 months)
(exchange population x PMPM cost x 6 months)
FY 27 (Low) - 300,000 x \$0.17 PMPM x 6 months = \$ 306,000
FY 27 (High) - 300,000 x \$1.06 PMPM x 6 months = \$1,908,000

Note: FY 27 expenditures have been pro-rated to reflect the 1/01/27 benefit coverage effective date.

Estimate of Potential Long-Term Healthcare Cost Changes

Short-term costs are anticipated to increase. Over the longer term, earlier or more comprehensive treatment may reduce certain downstream costs associated with unmanaged or undertreated acquired brain injury, including avoidable complications, institutionalization, repeat hospitalizations, disability, and loss of functional capacity. The proposed law may also increase downstream medical costs by extending the lives of individuals with high medical expenditures. Accordingly, the long-term net cost effects are uncertain and may be mixed; however, improved access to rehabilitation services may offset a portion of the initial increases in claim costs.

Note: The LFO cannot independently corroborate the expenditure estimate provided by LDI's health actuary. To the extent that actual experience differs from the assumptions used in this fiscal note, the resulting fiscal impact may vary.

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

House
[X] 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}

Signature of Alan M. Boxberger
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