



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 291** HLS 26RS 911
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action: **w/ SEN COMM AMD**
 Proposed Amd.:
 Sub. Bill For.:

Date: May 21, 2026	8:52 AM	Author: BERAULT
Dept./Agy.: Louisiana Department of Insurance/Group Benefits		Analyst: Anthony Shamis
Subject: Adverse actions based solely on network status		

INSURANCE/HEALTH EG1 INCREASE EX See Note Page 1 of 1
 Prohibits health insurers from taking adverse payment or contracting actions against participating facilities based solely on another provider's network status
Present law establishes requirements for the payment of provider claims, prohibits contractual waivers, and provides that violations constitute unfair or deceptive acts or practices in the business of insurance.

Proposed law prohibits a health insurance issuer from reducing claim payments or suspending or terminating a provider agreement with a licensed healthcare facility that is a participating provider based solely on the network participation status of another provider contributing to a component of patient care at the facility.

The provisions of proposed law shall not apply to the Office of Group Benefits.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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						

EXPENDITURE EXPLANATION

Office of Group Benefits:

OGB indicates an indeterminable expenditure impact resulting from this measure.

Louisiana Department of Insurance:

LDI indicates an indeterminable expenditure impact resulting from this measure.

Proposed law may result in an indeterminable, but potentially significant, increase in expenditures in FY 27 and subsequent fiscal years. The Office of Group Benefits (OGB) estimates that proposed law is expected to result in an indeterminable increase in SGR claims expenditures. The Louisiana Department of Insurance (LDI) indicates an indeterminable expenditure impact resulting from this measure. The anticipated increase in expenditures is associated with provisions prohibiting insurers from taking adverse payment or contracting actions against participating facilities based solely on another provider's network status. **Although the bill specifies that proposed law shall not apply to the Office of Group Benefits, there is significant overlap between providers participating in both OGB and private insurance plans.**

Any expenditure impact resulting from this legislation is dependent on the number of healthcare providers that elect to utilize the federal No Surprises Act (NSA) independent dispute resolution (IDR) process. The NSA established a federal IDR process that out-of-network (OON) providers, facilities, providers of air ambulance services, and group health plans may use to determine the OON rate for qualified IDR items or services following an unsuccessful negotiation period. The IDR entity selects between the parties' payment offers after considering specified factors, including the qualifying payment amount (QPA) for an item or service.

To the extent that healthcare providers and insurers negotiate a mutually agreeable rate, there may be a minimal expenditure impact associated with the provisions of this measure. However, to the extent that insurers and healthcare providers are unable to agree on a rate, there is the potential for an indeterminable increase in SGR claims expenditures within OGB as a result of increased utilization of the IDR process. In addition, there may be an indeterminable expenditure impact on the private insurance industry; however, information provided by the LDI indicates that such impact cannot be quantified.

NOTE: The expenditure impact associated with this legislation is indeterminable, as the number of healthcare providers that may elect to utilize the IDR process, the frequency with which disputes occur, and the rate at which providers prevail are uncertain and cannot be reliably projected.

REVENUE EXPLANATION

If claims expenditures cannot be absorbed by OGB's actuarially recommended target fund balance amount of \$309 M, it may be required to decrease or eliminate benefits currently available to participants of OGB's health benefit and life insurance programs, or seek additional revenue, either in the form of a direct appropriation from SGF, or by an increase in OGB's SGR through a premium rate increase for OGB's self-funded health plans.

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}

Alan M. Boxberger
 Alan M. Boxberger
 Legislative Fiscal Officer