LEGISLATIVE FISCAL OFFICE Fiscal Note



Fiscal Note On: **SB**

Bill Text Version: ENGROSSED

Opp. Chamb. Action: Proposed Amd.:

Sub. Bill For .:

Date: April 8, 2022

8:46 AM

Author: MILLS, FRED

Dept./Agy.:LDH

Subject: Medicaid Pharmacy Reimbursement

Analyst: Shawn Hotstream

83 SLS 22RS

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MEDICAID EG NO IMPACT See Note Creates the Council on Medicaid Pharmacy Reimbursement. (8/1/22)

Proposed law creates a Council on Medicaid Pharmacy Reimbursement within the Louisiana Department of Health (LDH). Proposed law provides for the membership of the council, including the Medicaid director of LDH, the president of the Louisiana Pharmacists Association, the president of the Louisiana Independent Pharmacies Association, a representative of the Louisiana Alliance of Retail Pharmacies, the president of the National Association of Chain Drug Stores, one pharmacist appointed by the chairman of the Senate Committee on Health and Welfare, one pharmacist appointed by the chairman of the House Committee on Health and Welfare, and three licensed pharmacist appointed by the Louisiana Board of Pharmacy. Proposed law requires the secretary to designate appropriate staff to provide support to the council. The council shall review Medicaid Medicaid pharmacy reimbursement data and trends, provide a platform for pharmacists to submit ideas on Medicaid reimbursement, and make recommendations to the secretary regarding changes to Medicaid pharmacy reimbursement policy.

| EXPENDITURES | 2022-23 | 2023-24 | <u>2024-25</u> | 2025-26 | 2026-27 | 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 | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| Annual Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| REVENUES | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 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 | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| Annual Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. Members of the council shall meet quarterly, and shall serve without compensation. In addition, the secretary of LDH will assign staff to provide support to the council. It is assumed any workload associated with duties of the council will be accomplished with existing staff and resources. Although the council will make recommendations to the secretary of LDH regarding pharmacy reimbursement, the bill does not require the secretary to implement any recommended policy changes or rate changes relative to pharmacy reimbursement.

REVENUE EXPLANATION

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

| <u>Senate</u> | Dual Referral Rules | <u>House</u> | Evan Brasseaux | |
|---------------------------------------|--|---|-------------------------------|--|
| 13.5.1 > | = \$100,000 Annual Fiscal Cost {S & H} | $6.8(F)(1) >= $100,000 SGF Fiscal Cost {H & S}$ | Evan Basseury | |
| 13.5.2 >= \$500,000 Annual Tax or Fee | | 6.8(G) >= \$500,000 Tax or Fee Increase | Evan Brasseaux | |
| | Change {S & H} | or a Net Fee Decrease {S} | Interim Deputy Fiscal Officer | |