## LEGISLATIVE FISCAL OFFICE Fiscal Note



Fiscal Note On: **HB** 454 HLS 25RS

Bill Text Version: ENGROSSED

Opp. Chamb. Action: Proposed Amd.:

Sub. Bill For.: REVISED

**Date:** May 5, 2025

Dept./Agy.: Health/Medicaid

7:45 PM

Author: MILLER, D.

Analyst: Anthony Shamis

Subject: Doula Services

EG INCREASE GF EX See Note

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Requires Medicaid coverage for certain doula services

<u>Proposed law</u> requires all Medicaid coverage plans to include coverage for doula services provided by a doula before, during, and after childbirth. Coverage, scope of service, and rates shall be determined by the Louisiana Department of Health (LDH) using market benchmarks and comparisons to similar states.

<u>Proposed law</u> provides that doulas opting in for reimbursement from Medicaid shall have approved registration with the Louisiana Doula Registry Board, and have acceptance as a provider from all MCOs.

<u>Proposed law</u> requires Medicaid to cover inpatient, and, if deemed appropriate, outpatient coverage.

<b>EXPENDITURES</b>	2025-26	2026-27	2027-28	2028-29	2029-30	<b>5 -YEAR TOTAL</b>
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	2025-26	2026-27	2027-28	2028-29	2029-30	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**

Establishing a new state plan service to cover doula services for eligible pregnant and postpartum women enrolled in the Medicaid program will result in additional SGF and Federal expenditures of an indeterminable amount.

LDH estimates the cost of transitioning doula services from In Lieu of Service (ILOS) to a covered service would be less than \$1 M in the Healthy Louisiana Managed Care program in FY 26 based on a review of doula utilization as a current ILOS, and other states that cover doula services through their state plan. According to LDH's Medicaid actuary (Milliman), although the actual cost for doula services were included in the SFY 25 capitation rate development, it was assumed that these services were substituting other state plan services that would otherwise have occurred. If doula services are added as a state plan service, Milliman anticipates that any costs associated with these services will be offset by the avoidance of other services. Therefore, no incremental funding is anticipated from adding doula services as a state plan service. To the extent that doula services do not generate savings through reduced hospitalizations or other costly services, this estimate may be understated.

## **REVENUE EXPLANATION**

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

Senate Dual Referral Rules

x 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

3.5.2 >= \$500,000 Annual Tax or Fee

Change {S & H}

<u>House</u>

**X** 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

Patrice Thomas
Deputy Fiscal Officer

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6.8(G) >= \$500,000 Tax or Fee Increaseor a Net Fee Decrease  $\{S\}$