Proposed law requires the Louisiana Department of Health (LDH) to provide dental coverage for certain individuals with developmental disabilities. The specific population are Medicaid enrollees of age 21 or older who resides in an Intermediate Care Facility (ICF) for people with developmental disabilities. Proposed law provides that this measure is subject to specific appropriation.

**EXPERIMENTAL EXPLANATION**

Offering comprehensive dental services to certain populations is projected to increase Medicaid expenditures by approximately $3.9 M in FY 22-23, and $7.2 M and future fiscal years. The first year cost in the expenditure table above assumes administrative expenses only associated with rate development and staffing. Proposed law requires Medicaid to cover comprehensive dental care for adults with developmental disabilities that reside in an ICF. Currently this population receives limited dental benefits.

1. Comprehensive dental benefit provided under managed care for individuals in ICF.
2. Assumes new benefits for approximately 3,803 beneficiaries (45,636 member months)
3. Estimate $125 per member per month costs based on Texas model, $1,500 annual cost
4. 3,803 beneficiaries @ $125 per member per month (PMPM) x 12 months = $5,704,500
5. Additional hospital related costs assumed for 50% beneficiaries (individuals requiring at least 1 service in hospital setting) - Hospital facility fee (treatment in hospital setting). $400 x 3,803 beneficiaries x 50% utilization = $760,600 - General anesthesia ($255.46 (historical claims) x 3,803 x 50% utilization = $485,757
6. Actuarial services expense (rate setting) of $500,000 in FY 24, and $250,000 annually in out years.
7. FY 23 assumes only 6 months of benefit (implementation January 1, 2023)

**REVENUE EXPLANATION**

Statutory Dedication revenues reflected in the revenue table above are collections of a 2.25% premium tax assuming the new coverage of dental services for adults in intermediate care facilities are covered under managed care.

<table>
<thead>
<tr>
<th>Date: May 31, 2022</th>
<th>Dept./Agy.: Health/Medicaid</th>
<th>Subject: Dental Care</th>
<th>Author: BUTLER</th>
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<table>
<thead>
<tr>
<th>Department</th>
<th>2022-23</th>
<th>2023-24</th>
<th>2024-25</th>
<th>2025-26</th>
<th>2026-27</th>
<th>5-YEAR TOTAL</th>
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<tbody>
<tr>
<td>State Gen. Fd.</td>
<td>$1,380,557</td>
<td>$2,229,720</td>
<td>$2,229,720</td>
<td>$2,229,720</td>
<td>$2,229,720</td>
<td>$10,299,437</td>
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<td>Agy. Self-Gen.</td>
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<tr>
<td>Ded./Other</td>
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<td>$156,394</td>
<td>$156,394</td>
<td>$156,394</td>
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<td>Federal Funds</td>
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<tr>
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<td>$0</td>
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<tr>
<td>Annual Total</td>
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<td>$7,200,857</td>
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<td>$7,200,857</td>
<td>$7,200,857</td>
<td>$32,778,857</td>
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</tbody>
</table>

**EXPENSES**

- $1,380,557 for comprehensive dental benefit for individuals in ICF.
- $2,229,720 for administrative expenses.
- $156,394 for hospital facility fee.
- $2,594,872 for other expenses.
- $0 for local funds.
- $3,975,429 for annual total.

**REVENUES**

- $0 for state general funds.
- $156,394 for federal funds.
- $0 for local funds.
- $156,394 for annual total.

**5-YEAR TOTAL**

- $10,299,437 for state general funds.
- $625,576 for federal funds.
- $625,576 for annual total.

**Note:** Funding for this measure is provided in HB 1.