

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 539** HLS 25RS 698

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

REVISED

Date: April 23, 2025	9:31 AM	Author: BERAULT
Dept./Agy.: LA Dept. of Health		Analyst: Tamiko Stroud
Subject: Creates a program and fund for specialist physicians		

PHYSICIANS OR INCREASE GF EX See Note Page 1 of 1
Creates a program and fund administered by the La. Dept. of Health for the purpose of recruiting specialist physicians to practice medicine in the state

The proposed law establishes in the LA Dept. of Health (LDH) a loan repayment program for qualifying physician specialists practicing in the state. The proposed law requires LDH to promulgate rules pursuant to the Administrative Procedure Act under certain circumstances and coordinate the administration of the program. The proposed law requires qualifying applicants of the program to meet certain criteria. A qualifying applicant accepted into the program shall be eligible to receive up to \$30,000 per year in loan repayments, up to a maximum of \$150,000. The proposed law requires a recipient of the program to enter into a contract with the department that shall include certain terms and conditions. The proposed law requires the termination of the recipient's program contract under certain circumstances and provides certain amounts the recipient must be liable for upon the breach of their contract. The proposed law allows LDH to seek, accept, and expend funds from any source to fund the program and requires funds to be deposited into the Health Workforce and Needs Fund.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
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	SEE BELOW					
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0

Annual Total

EXPENDITURE EXPLANATION

Creating a specialty physician loan repayment program in LDH and requiring the department to administer the program is anticipated to result in a significant increase in statutory dedication expenditures annually. Expenditures for the loan repayment program will come from the newly created Health Workforce and Needs Fund. Revenues that can be deposited into the fund for expenditures include State General Funds, or revenues from any source, including private business, industry, and foundations, as well as any available federal or other governmental funding. The number of physician specialists that could qualify annually is indeterminable, and will depend on funding, however, a qualifying applicant accepted into the program shall be eligible to receive up to \$30,000 per year in loan repayments, up to a maximum of \$150,000 total. LDH reports all expenditures would be allocated towards creating and maintaining five-year professional service contracts between the department and those selected to participate in the program.

Proposed law creates the Health Workforce Needs Fund. The Dept. of Treasury requires certain resources to create and administer a statutory dedication, as in this bill. Should aggregate session action result in the creation of funds beyond that which can be absorbed with existing resources, additional funding may be required.

REVENUE EXPLANATION

To the extent a physician is in violation of a physician loan repayment contract with LDH, the department could potentially receive repayment of loan revenues, with penalties and interest on loan amounts provided. These funds would be collected by LDH and deposited by the state treasurer into the Health Workforce and Needs Fund.

Senate
 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}

Patrice Thomas
Deputy Fiscal Officer