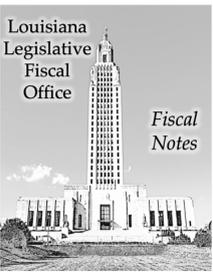


LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 266** HLS 25RS 389
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 30, 2025	11:40 AM	Author: WILEY
Dept./Agy.: Health/Medicaid		
Subject: Personal Needs Allowance		Analyst: Anthony Shamis

MEDICAID EG +\$893,660 GF EX See Note Page 1 of 1
 Provides for the personal needs allowance of residents in nursing homes and other facilities

Proposed law sets the personal needs allowance for an institutionalized individual to an amount not less than \$50 and the monthly personal needs allowance for an institutionalized couple to an amount not less than \$100. The Louisiana Department of Health (LDH) may submit a waiver or State Plan Amendment (SPA) to the Centers for Medicare and Medicaid Services (CMS) to secure the Federal funding associated with this legislation.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$893,660	\$893,660	\$893,660	\$893,660	\$893,660	\$4,468,300
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$1,889,460	\$1,889,460	\$1,889,460	\$1,889,460	\$1,889,460	\$9,447,300
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$2,783,120	\$2,783,120	\$2,783,120	\$2,783,120	\$2,783,120	\$13,915,600
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

Proposed law is anticipated to increase expenditures in the Medicaid program by \$2,783,120 (\$893,660 SGF and \$1,889,460 Federal) in FY 26 to increase the monthly Personal Needs Allowance (PNA) for institutionalized individuals from \$38 per individual and \$76 per couple to \$50 per individual and \$100 per couple. This increase in the PNA reduces the amount residents contribute toward their care, increasing the Medicaid liability per institutionalized individual.

See Below:

Cost per Institutionalized Individual:

- *Increase in allowance: \$12 per month
- *Annual increase per resident: \$144 per year
- *Estimated impact per Medicaid Day: \$12/30 days = \$0.40 per day

Aggregate Medicaid Cost:

- *Annual Medicaid Nursing Home Days = 5,900,000
- *Annual Medicaid Intermediate Care Facility (ICF) Days = 1,057,800
- *Total Medicaid Days: 6,957,800
- *Increased cost to Medicaid: 6,957,800 days X \$0.40 per day = \$2,783,120 Annually**

Category Amount:

- *Additional cost per day: \$0.40
- *Total Nursing Home Medicaid Days: 5,900,000
- *Annual Nursing Home fiscal impact: \$2,360,000**
- *Additional cost per day: \$0.40
- *Total Intermediate Care Medicaid Days: 1,057,800
- *Annual fiscal impact: \$423,120**

REVENUE EXPLANATION

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

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