



**LEGISLATIVE FISCAL OFFICE
Fiscal Note**

Fiscal Note On: **HB 595** HLS 25RS 975
 Bill Text Version: **ENROLLED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: June 10, 2025	9:49 AM	Author: PHELPS
Dept./Agy.: Health/Medicaid		
Subject: TEFRA Eligibility		Analyst: Anthony Shamis

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 Provides relative to Medicaid coverage through the TEFRA option program

Present law established the Tax Equity and Fiscal Responsibility Act (TEFRA) option in Medicaid, and provides for eligibility criteria for the TEFRA option. The TEFRA option program shall offer coverage for all Medicaid state plan services for children with disabilities who would otherwise be ineligible for such benefits because their household income exceeds the state established limits for Medicaid.

Proposed law expands criteria related to the level of care provided in a hospital, skilled nursing facility, or intermediate care facility to add that a child may meet a level of care, if within the last twelve months, he presents for emergency care in a hospital more frequently than once per month and the use of the hospital is medically necessary to stabilize sickle cell anemia.

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	\$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

Proposed law is anticipated to result in an indeterminable increase to SGF and Federal Medicaid expenditures in the Louisiana Department of Health (LDH) to expand eligibility requirements related to level of care for the Tax Equity and Fiscal Responsibility Act (TEFRA) Children’s Medicaid Option (CMO), also known as ACT 421 (2019). Proposed law adds that a child may meet a level of care, if within the last 12 months, he presents for emergency care in a hospital more frequently than once per month and the use of the hospital is medically necessary to stabilize sickle cell anemia.

LDH reports that the number of children that would be eligible under this legislation is indeterminable, as the department is unable to estimate the number of children who would visit a hospital more than once per month where the use of the hospital is medically necessary to stabilize sickle cell anemia. In addition, the average annual cost of TEFRA enrollees varies based on the age of the child and whether the child has other health coverage (i.e. employer-sponsored healthcare coverage with parents).

The LFO has requested detailed rate cell information and an estimate of the number of children who would qualify for TEFRA due to sickle cell anemia from LDH, but has not yet received a response.

REVENUE EXPLANATION

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

Senate Dual Referral Rules
 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