

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 58** SLS 17RS 136
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 26, 2017 7:51 AM	Author: MILLS
Dept./Agy.: LDH/Human Services Areas	Analyst: Tanesha Morgan
Subject: HEALTH SERVICES	

HEALTH SERVICES OR INCREASE GF RV See Note Page 1 of 1
 Provides relative to the statewide human services districts and authorities.

Proposed law provides that human services districts and authorities board member nominees shall include individuals in the fields of law enforcement, the judiciary, school-based health care, and the coroner's office.
 Proposed law clarifies the purpose of the human services interagency council.
 Proposed law establishes that the human services districts and authorities may enter into contracts with the judicial branch and correctional facilities to be the sole source provider of behavioral health services.

EXPENDITURES	2017-18	2018-19	2019-20	2020-21	2021-22	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW					
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	SEE BELOW					
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

REVENUES	2017-18	2018-19	2019-20	2020-21	2021-22	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW					
Agy. Self-Gen.	SEE BELOW					
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

EXPENDITURE EXPLANATION

The bill provides that the districts and authorities may enter into contracts with the judicial branch and correctional facilities to be the sole source provider of behavioral health services. The net impact of transitioning from multiple providers to one sole provider is unknown. However, to the extent that the districts and authorities provide additional Medicaid eligible services (as a result of additional access) to the populations under the purview of the judicial branch, Medicaid payments will increase.

In addition, the proposed legislation revises the composition of the governing boards of the human services districts and authorities. Beginning July 1, 2017, this measure requires that the local governing authority of each parish to nominate board members that represent law enforcement, the judiciary, school-based health care, and the coroner's office. This measure does not change the number of board members or the compensation to those members and will have no fiscal impact to the districts and authorities.

Note: Current law (LA R.S. 28:919A) states that the LDH secretary shall be responsible for policy of the statewide human services system. This measure adds that the secretary shall work in partnership with the human services districts and authorities regarding policy of the statewide human services system. Information provided by LDH indicates this reduces the secretary's authority to set this policy and can lead to inconsistency in OCDD waiver policy by region, which causes a potential risk of recoupment of federal matching funds for OCDD waivers.

REVENUE EXPLANATION

If the districts and authorities enter into sole source contracts with the judicial branch and/or correctional facilities, the proposed legislation may result in increase self-generated and Medicaid revenue at the human services districts and authorities. The revenue generated by these contracts is indeterminable as it depends on whether the district or authority is selected as the provider.

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}

Evan Brasseaux
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