

**LEGISLATIVE FISCAL OFFICE**

**Fiscal Note**



Fiscal Note On: **HB 402** HLS 17RS 844  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> April 26, 2017 7:57 AM	<b>Author:</b> HAVARD
<b>Dept./Agy.:</b> LDH/OBH	<b>Analyst:</b> Tanesha Morgan
<b>Subject:</b> MENTAL HEALTH	

MENTAL HEALTH OR SEE FISC NOTE GF EX Page 1 of 1  
 Provides for licensure and regulation of community-based care facilities

Proposed law authorizes the La. Department of Health (LDH) to promulgate and adopt rules, regulations, and standards to license and regulate facilities to be operated as community-based care facilities in order to provide for the health, safety, and welfare of persons receiving mental health services.

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

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

**EXPENDITURE EXPLANATION**

This proposed legislation authorizes the Department of Health (LDH) to license community-based facilities for mental health patients. The impact to LDH Health Standards is indeterminable and depends on the number of providers seeking licensure. To the extent that there are a few providers, the fiscal impact to LDH to license and regulate these facilities is anticipated to be minimal.

The Legislative Fiscal Office (LFO) cannot determine if medical services would be provided at these facilities or if facilities will function solely as a residential housing, as such facilities are not currently licensed by LDH. To the extent Medicaid reimbursable services are provided at the facilities, the cost would be dependent on the number of patients, services provided, and reimbursement rates. If the facilities function solely as a residential housing facility, LDH has indicated that this service is not Medicaid reimbursable.

**REVENUE EXPLANATION**

LDH would generate a license application fee of \$600 per applicant, plus a bed fee and annual renewal fees. Total revenue generated depends on the number of providers seeking licensure.

Additionally, this measure provides that the facilities may be housed in state owned buildings, which may result in rent payments from the provider to LDH.

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}

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