

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **SB 77** SLS 22RS 287

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> March 23, 2022 7:29 AM	<b>Author:</b> LUNEAU
<b>Dept./Agy.:</b> LDH/Medicaid	<b>Analyst:</b> Shawn Hotstream
<b>Subject:</b> prescription drugs	

MEDICAID OR NO IMPACT See Note  
Provides relative to prior authorization of prescription drugs. (8/1/22)

Proposed law provides that the Louisiana Department of Health (LDH) shall not restrict by prior authorization any prescription drug prescribed to an adult patient and determined by a prescribing practitioner licensed by the state to be medically necessary for the treatment and prevention of serious mental illness, including but not limited to first episode psychosis, under 2 conditions. The specific conditions include a) if during the preceding year, the patient was prescribed and unsuccessfully treated with a 14 day treatment trial of the prescribed drug included on the single preferred drug list for which a claim was paid, and b) the patient has previously been prescribed and obtained prior authorization for the non-preferred prescribed drug.

<b>EXPENDITURES</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
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>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

<b>REVENUES</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
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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>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

Information provided by the LDH Legal indicates this measure is largely aligned with the current prior authorization process, thus will not result in any fiscal impact to the Medicaid pharmacy program. The bill does not appear to eliminate the initial prior authorization process, but extends the time frame (currently 1 year) applicable to future prior authorizations for specific drugs under certain conditions. This measure prohibits any restriction, by prior authorization, of any prescription drug prescribed to an adult patient and determined by a licensed prescriber to be medically necessary for and prevention of serious mental illness under certain conditions, including that the patient has previously been prescribed and obtained prior authorization for a non preferred drug.

**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}

*Evan Brasseaux*  
**Evan Brasseaux**  
**Interim Deputy Fiscal Officer**