| Louisiana Legislative | LEGISLATIVE FISCAL OFFICE Fiscal Note | | | | | | | | | |
|-------------------------------------|--|-----------------|----|-----|-----|------|------|--|--|--|
| Office | | Fiscal Note On: | SB | 464 | SLS | 22RS | 1097 | | | |
| Fiscal Office Fiscal Notes | Bill Text Version: ORIGINAL | | | | | | | | | |
| | Opp. Chamb. Action: Proposed Amd.: Sub. Bill For.: | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| Date: April 19, 2022 | 11:02 AM | Author: TALBOT | | | | | | | | |
| Dept./Agy.:LDH | | | | | | | | | | |
| Subject: genetic testing | testing Analyst: Shawn Hotstream | | | | | | | | | |

MEDICAID

OR +\$1,494,445 GF EX See Note

Provides relative to Medicaid coverage for genetic testing of critically ill infants with no diagnosis. (8/1/22)

Propose law requires LDH to include coverage on a fee for service basis for rapid whole genome sequencing testing of an infant who is enrolled in a Medicaid managed care program and meets certain criteria.

| EXPENDITURES | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 5 -YEAR TOTAL |
|----------------|-------------|-------------|-------------|-------------|-------------|---------------|
| State Gen. Fd. | \$1,494,445 | \$1,538,609 | \$1,774,056 | \$2,045,450 | \$2,361,455 | \$9,214,015 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | \$107,250 | \$308,688 | \$355,438 | \$409,750 | \$472,313 | \$1,653,439 |
| Federal Funds | \$3,348,305 | \$3,865,203 | \$4,458,006 | \$5,144,800 | \$5,941,232 | \$22,757,546 |
| Local Funds | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| Annual Total | \$4,950,000 | \$5,712,500 | \$6,587,500 | \$7,600,000 | \$8,775,000 | \$33,625,000 |
| REVENUES | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 5 -YEAR TOTAL |
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | \$107,250 | \$308,688 | \$355,438 | \$409,750 | \$472,313 | \$1,653,439 |
| 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 | \$107,250 | \$308,688 | \$355,438 | \$409,750 | \$472,313 | \$1,653,439 |

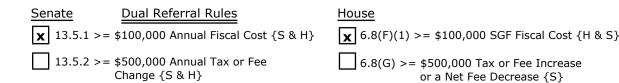
EXPENDITURE EXPLANATION

Providing Medicaid coverage for whole genome sequencing testing is projected to result in approximately \$4.9 M in Medicaid expenditures in FY 23, increasing by approximately 15% annually. The estimate increase in expenditures is based on the following calculations and assumptions;

- 1) 396 babies eligible in FY 23 (based on approximately 5% of infants admitted to Level III and IV NICU in Louisiana)
- 2) \$12,500 cost of rapid sequencing test
- 3) \$4,950,000 first year Medicaid cost (\$12,500 * 396 babies)
- 4) 15% projected increase in cost in future years based on utilization

REVENUE EXPLANATION

Statutory Dedications in the revenue table above represent revenues generated from a 5.5% premium tax of the premiums paid to the managed care organizations.



Ein Brasseaux

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Evan Brasseaux Interim Deputy Fiscal Officer