



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 578** HLS 23RS 858
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 24, 2023	8:56 AM	Author: GLOVER
Dept./Agy.: Insurance, Office of Group Benefits, and Medicaid		Analyst: Patrice Thomas
Subject: Coverage for Smoking Cessation Benefits Program		

HEALTH/SMOKING OR +\$792,000 GF EX See Note Page 1 of 1
 Provides relative to a smoking cessation benefits

Proposed law mandates coverage of a comprehensive smoking cessation benefits program by all private insurance plans and Medicaid. Proposed law requires three (3) months of smoking cessation benefits with all costs paid by private insurance, or Medicaid, meaning not subject to any co-payments, deductibles, and other cost-sharing. Proposed law provides the LA Department of Health (LDH) to promulgate rules and regulations and to promote the smoking cessation benefits through a statewide campaign.

EXPENDITURES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
State Gen. Fd.	\$792,000	\$792,000	\$792,000	\$792,000	\$792,000	\$3,960,000
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	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						
REVENUES	2023-24	2024-25	2025-26	2026-27	2027-28	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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed law will increase SGF expenditures within the LA Department of Health (LDH), Medicaid program by \$792,000 to implement a public awareness campaign on smoking cessation benefits. The campaign shall include public service announcements and print and digital media ads. LDH reports the current Quit With Us campaign will be expanded and will consist of three months of public service announcements on statewide radio and digital audio advertisement (\$170,000) and statewide weekly newspaper advertisement (\$28,000).

Currently, all self-funded health plans by the Office of Group Benefits (OGB) cover smoking deterrent products to members with no cost share. The LA Department of Health (LDH), Medicaid program provides coverage for smoking cessation services without a co-payment. In addition, LDH is currently in the process of promulgating rules through the Administrative Procedure Act (APA) to expand coverage for tobacco cessation counseling to all Medicaid beneficiaries. Therefore, the proposed law is not anticipated to have an impact on healthcare expenditures within LDH or OGB.

The effect of this proposed law on local governmental expenditures is indeterminable. To the extent private insurers increase premiums of health insurance plans to local governmental units as a result of providing coverage for comprehensive smoking cessation benefits without co-payment, deductibles, or other cost-sharing, the proposed law may result in an indeterminable increase to local governmental expenditures.

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}

Evan Brasseaux

Evan Brasseaux
Interim Deputy Fiscal Officer