



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

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

<b>Date:</b> May 12, 2023	2:34 PM	<b>Author:</b> GLOVER
<b>Dept./Agy.:</b> Insurance, Office of Group Benefits, and Medicaid		<b>Analyst:</b> Patrice Thomas
<b>Subject:</b> Coverage for Smoking Cessation Benefits Program		

HEALTH/SMOKING RE SEE FISC NOTE 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.

<b>EXPENDITURES</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</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	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
<b>Annual Total</b>						
<b>REVENUES</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>	<b>5 -YEAR TOTAL</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**

There is no anticipated direct material effect on state governmental expenditures as a result of this measure. 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.

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|---|----------------------------|--|
| <u>Senate</u>   | <u>Dual Referral Rules</u> | <u>House</u>   |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}       |                            | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}                    |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H} |                            | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

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