

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 658** HLS 23RS 2824

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.: **HB 427**

Date: May 24, 2023	10:56 AM	Author: CREWS
Dept./Agy.: LDH		Analyst: Shawn Hotstream
Subject: price disclosure		

HEALTH CARE/FACILITIES

EG GF EX See Note

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Provides relative to disclosure by healthcare facilities to patients of prices for certain items and services

Proposed law requires hospitals to comply with federal law (provisions of 42 U.S.C. 300gg-18(c) and 45 CFR Part 180) relative to public price transparency requirements. Proposed law provides LDH to monitor and enforce compliance relative to price transparency, and requires LDH to provide written notice (certified mail) to the facility/hospital that clearly explains the lack of compliance, in addition to requesting a corrective action plan from the hospital. Proposed law provides for hospital requirements if out of compliance. LDH is required to file a federal complaint with the Centers for Medicare and Medicaid Services (CMS) in the event the hospital does not comply.

Proposed law requires a health insurance issuer to comply with federal law (Section 2715 a of the Public Health Service Act) relative to public price transparency requirements of health insurance costs. Proposed law requires the Louisiana Department of Insurance to monitor and enforce health insurance issuer compliance relative to price transparency, and requires DOI to provide written notice (certified mail) to the health insurance issuer that clearly explains the lack of compliance, in addition to requesting a corrective action plan from the health plan. In the event the health insurance issuer does not comply, the DOI shall file a complaint with the US Department of Treasury.

EXPENDITURES	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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>	<u>\$0</u>
Annual Total						

REVENUES	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>5 -YEAR TOTAL</u>
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>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

This measure is anticipated to result in additional workload for both the Louisiana Department of Health and the Louisiana Department of Insurance. Information provided by LDH indicates the necessity for 1 additional Program Manager in the hospital program (\$140,600 salary and related benefits annually) to meet monitoring and enforcement functions under this measure related to public price transparency for hospitals. Additionally, the DOI indicates the need for an additional Insurance Specialist (\$81,300 salary and related benefits) for similar activities related to health plans. The amount of workload will depend on the number of complaints annually to the respective departments, and the follow up requirements in the event of non-compliance after complaints. The LFO cannot corroborate the need for additional personnel as the actual number of complaints annually is indeterminable, in addition to the follow up time to ensure facility or health plan compliance (submit certified letters to providers or health plans explaining non compliance, review and approval of a plan of correction, and potentially issuing sanctions or filing formal complaints to the federal government).

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