

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 435** HLS 23RS 728

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: June 8, 2023	3:13 PM	Author: FREEMAN
Dept./Agy.: LDH/Medicaid		Analyst: Shawn Hotstream
Subject:		

MEDICAID

EN SEE FISC NOTE GF EX See Note

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Provides relative to medicaid coverage of chimeric antigen receptor T-cell therapy

Proposed law requires the Louisiana Medicaid program to cover inpatient and outpatient coverage of CAR T-cell therapy when such therapy is approved by the US Food and Drug Administration.

Proposed law provides for eligibility requirements of the Medicaid enrollee to receive the service, and provides for requirements of the hospital provider to provide the service.

Proposed law requires LDH to submit the necessary state plan amendments to the Centers for Medicare and Medicaid Services (CMS) to implement CAR T-cell therapy coverage under Medicaid.

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.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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>
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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						

EXPENDITURE EXPLANATION

Information provided by LDH indicates CAR T-cell inpatient therapy is currently covered in the hospital per diem, and outpatient CAR T-cell therapy is currently covered under the Medicaid formulary. Based on current Medicaid coverage, there is no anticipated impact. However, a provision of this measure requires LDH to promulgate rules as necessary to regulate and provide payment to healthcare providers for high cost pharmaceutical carve-outs. It is unclear if this language requires LDH to carve out CAR T-cell therapy from the hospital per diem, or managed care. Either will have a fiscal impact to Medicaid by an indeterminable amount. To the extent reimbursement for this service is provided outside of the inpatient per diem, additional Medicaid expenditures are anticipated.

REVENUE EXPLANATION

To the extent this service is carved out of managed care, premium tax revenues are anticipated to be reduced under this measure.

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

Evan Brasseaux
Interim Deputy Fiscal Officer