

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 187** SLS 24RS 474

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 30, 2024	12:32 PM	Author: BOUDREAUX
Dept./Agy.: LDH/Medicaid		Analyst: Shawn Hotstream
Subject: pilot program		

MEDICAID

RE INCREASE GF EX See Note

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Creates a pilot program for Medicaid recipients to utilize portable oxygen concentrators. (8/1/24)

Proposed law requires the Louisiana Department of Health (LDH) to establish a pilot program to provide Medicaid coverage for portable oxygen concentrators in the same manner as stationary oxygen systems if a portable oxygen concentrator is prescribed by a licensed physician and the enrollee is mobile within the home or community. LDH may limit the number of portable concentrators covered each fiscal year in a manner determined through administrative rules. Proposed law provides for reporting requirements of the department relative to portable oxygen concentrator utilization.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						
REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Providing coverage for portable oxygen concentrators for certain Medicaid enrollees is anticipated to result in an indeterminable increase in Medicaid expenditures in FY 25 and future fiscal years. The number of portable concentrators that will be provided annually will be determined through administrative rules implemented by the department upon passage of this bill. As an illustrative example, to the extent all the projected number of individuals eligible utilize the portable concentrators, Medicaid expenditures will increase by approximately \$2.7 M, increasing by 3% annually in future years. This estimate is based on the following assumptions:

- 1). 5,417 estimated of eligible beneficiaries (from 2023)
- 2). Monthly rental costs of \$40.35 for a portable oxygen concentrator, \$484.20 annual cost
- 3). Costs assume 100% of qualifying beneficiaries will utilize, excludes bedridden recipients
- 4). Utilization will remain constant
- 5). 3% medical inflation rate annually
- 6). Assumes stationary tank remains with individual

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of 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}

Patrice Thomas
Deputy Fiscal Officer