

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 463** SLS 24RS 1297

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action: **w/ HSE COMM AMD**

Proposed Amd.:

Sub. Bill For.:

Date: May 3, 2024	10:56 AM	Author: WHEAT
Dept./Agy.: Insurance and Office of Group Benefits		Analyst: Patrice Thomas
Subject: LA Dental Loss Ratios for Dental Healthcare Services Plans Act		

DENTAL HEALTH

EG1 +\$38,500 SG EX See Note

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Creates the Louisiana Dental Loss Ratios for Dental Healthcare Services Plans Act. (1/1/25)

Proposed law creates the LA Dental Loss Ratios for Dental Healthcare Services Plans Act, which requires dental carriers to file an annual report for dental loss ratios to the Commissioner of Insurance/LA Department of Insurance (LDI) by March 1, 2025, and annually thereafter by March 1st. Proposed law provides for the required information included in the dental loss ratio annual report. Proposed law provides that the Commissioner may request additional information from the carrier to verify the annual report data. Proposed law requires the Commissioner to promulgate rules and the dental ratio report to be published in a searchable format on LDI's website by June 30, 2025, and annually thereafter by June 30th. Proposed law provides definitions for "dental carrier", "dental healthcare service plan", and "dental loss ratio". Proposed law does not apply to plans under Medicaid or LA Children's Health Insurance Plan (LA CHIP). Proposed law effective January 1, 2025.

EXPENDITURES	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.	\$38,500	\$0	\$0	\$0	\$0	\$38,500
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	\$38,500	\$0	\$0	\$0	\$0	\$38,500

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

Proposed law will result in a one-time IT cost of \$38,500 in the LA Department of Insurance (LDI) in FY 25. By March 1, 2025, and annually thereafter, the proposed law requires all dental healthcare service plans to file a dental loss ratio annual report for the proceeding calendar year to the Commissioner of Insurance/LA Department of Insurance (LDI). The proposed law requires the Commissioner/LDI to do the following: (1) request additional information through written notice from a plan to verify report data; (2) publish annual reports on the department's website in a searchable format no later than June 30th; (3) file an annual report on data collected to the Senate and House Committees on Insurance and forward a copy to the Poynter Legislative Research Library by June 30th; and (4) promulgate rules and regulations including administrative and overhead cost expenditures.

LDI reports a one-time IT cost to perform the programming changes to the department's website by an Office of Technology Services (OTS) contractor (350 hours x \$110 per hour = \$38,500). LDI reports any workload associated with collecting and publishing annual dental loss ratio reports, as well as IT cost to develop a new searchable page on its website, will be handled with existing staff and resources.

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}

Alan M. Boxberger
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Legislative Fiscal Officer