Louisiana Legislative	LEGISLATIVE FISCAL OFFICE Fiscal Note						
Fiscal Office		Fiscal Note On:	HB	570	HLS	21RS	789
Fiscal Office Fiscal Notes	Bill Text Version: ENGROSSED						
	Opp. Chamb. Action:						
	Proposed Amd.:						
	Sub. Bill For.:						
Date: May 2, 2021	5:53 PM	Author: LYONS					
Dept./Agy.:LDH/Medicaid							
Subject: non emergency medical transportation providers		Analyst: Shawn Hotstream					

**Subject:** non emergency medical transportation providers

EG +\$1,045,080 GF EX See Note

MEDICAID Page 1 of 1 Provides for payment enhancements to compensate nonemergency medical transportation providers for cost increases in that industry

Proposed law provides that the Louisiana Department of Health (LDH) shall remit to each nonemergency medical transportation (NEMT) provider enhanced payments in the amount of \$500 per month per vehicle, subject to limitation on the number of qualifying vehicles that the provider uses in providing services to Medicaid enrollees (capped at 3 vehicles per provider). The enhanced payment is in addition to amounts remitted to NEMT providers through provider reimbursement rates. Proposed law provides that the maximum monthly enhanced payment amount for which any NEMT provider may qualify shall be \$1,500. Proposed law provides that enhanced rates are subject to CMS approval. Proposed law sunsets enhanced rates under certain conditions, either on September 30, 2024, or when average monthly vehicle related insurance costs to NEMT providers in Louisiana decrease to an amount equal to insurance costs in FY 20/21 (whichever happens first).

EXPENDITURES	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	\$1,045,080	\$1,151,280	\$1,151,280	\$287,820	\$0	\$3,635,460
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$2,554,920	\$2,448,720	\$2,448,720	\$612,180	\$0	\$8,064,540
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$3,600,000	\$3,600,000	\$3,600,000	\$900,000	\$0	\$11,700,000
REVENUES	2021-22	2022-23	2023-24	2024-25	2025-26	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	<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**

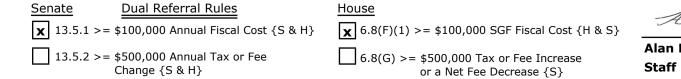
Enhanced payments to NEMT providers is projected to result in a \$3.6 M in annual cost to Medicaid. LDH will remit to each NEMT provider \$500 a month per vehicle, capped at 3 vehicles per provider. The note assumes each provider has at least 3 vehicles subject to the enhanced payment. The bill further provides that these additional payments sunset on or before September 30, 2024. The temporary payments are assumed to run through the first quarter of FY 25.

	Monthly			
	Supplemental	Total Monthly		Total
<u># Providers</u>	Payments (maximum)	Costs	<u># months</u>	<u>annual costs</u>
200	\$1,500	\$300,000	12	\$3,600,000

Note: The expenditure table above reflects a sunset date in FY 25 (annualized for 3 months of enhanced payments, or \$900,000).

## **REVENUE EXPLANATION**

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



Alan M. Boderger

Alan M. Boxberger Staff Director