

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 570** HLS 21RS 789

Bill Text Version: **ENGROSSED**

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

Proposed Amd.:

Sub. Bill For.:

Date: June 2, 2021	5:18 PM	Author: LYONS
Dept./Agy.: LDH/Medicaid		Analyst: Shawn Hotstream
Subject: non emergency medical transportation providers		

MEDICAID EG1 +\$1,045,080 GF EX See Note 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 and further that the department shall not implement the payments until the legislature has made an appropriation of funds specifically for this purpose. 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	\$0	\$0	\$0	\$0	\$0	\$0
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	\$0	\$0	\$0	\$0	\$0	\$0
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. **Proposed law provides that implementation is subject to appropriation of funds specifically for this purpose by the legislature.**

<u># Providers</u>	<u>Monthly Supplemental Payments (maximum)</u>	<u>Total Monthly Costs</u>	<u># months</u>	<u>Total 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.

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}

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