Louisiana Legislative	LEGISLATIVE FISCAL OFFICE Fiscal Note								
Fiscal Office		Fiscal N	lote On:	HB	650	HLS	22RS	930	
Fiscal Office Fiscal Notes	Bill Text Version: ORIGINAL								
	Opp. Chamb. Action:								
		Proposed Amd.:							
		Sub. E	Bill For.:						
Date: March 18, 2022	8:53 AM	Author: HILFERTY							
Dept./Agy.:LDH									
Subject: Medicaid coverage	ge Analyst: Shawn Hotstream								

MEDICAID

OR +\$2,989,128 GF EX See Note

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Provides for Medicaid coverage of prescription breast milk

Proposed law provides the Louisiana Department of Health to provide Medicaid coverage benefits for medically necessary pasteurized donor breast milk upon prescription of an infant's pediatrician stating that the infant Medicaid beneficiary is medically or physically unable to receive maternal breast milk or participate in breast feeding, or the infant's mother is medically or physically unable to produce maternal breast milk in sufficient quantities.

Proposed law provides that LDH may seek approval of a federal Medicaid waiver and state plan amendments as necessary to implement this benefit.

EXPENDITURES	2022-23	2023-24	2024-25	2025-26	2026-27	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$2,989,128	\$2,774,950	\$2,835,794	\$2,899,557	\$2,963,320	\$14,462,749
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$275,022	\$561,924	\$573,804	\$586,278	\$598,752	\$2,595,780
Federal Funds	\$6,812,250	\$6,966,326	\$7,120,402	\$7,281,765	\$7,443,128	\$35,623,871
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$10,076,400	\$10,303,200	\$10,530,000	\$10,767,600	\$11,005,200	\$52,682,400
REVENUES	2022-23	2023-24	2024-25	2025-26	2026-27	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$275,022	\$561,924	\$573,804	\$586,278	\$598,752	\$2,595,780
	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	40	1 -				
Federal Funds Local Funds	\$0 \$0	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

EXPENDITURE EXPLANATION

Extending Medicaid coverage for donated breast milk is anticipated to result in approximately \$10.1 M in Medicaid expenditures in FY 23 and future fiscal years. LDH indicates such coverage is offered initially after birth in an inpatient setting. This measure provides the benefit under certain conditions outside of the hospital setting. The cost reflected in the expenditure table above is based on the following assumptions and calculations:

1. 933 estimated eligible babies annually (based on annual count of low birth rate babies)

2. 20 ounces of milk consumed daily

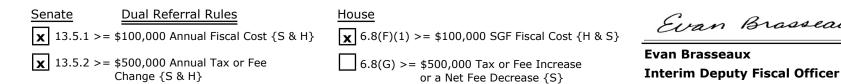
3. Cost of \$3 per ounce of milk

4. received for up to a period of 180 days. (933 babies x 20 ounces x \$3 per ounce x 180 days = \$10,076,400)

5. approximately 2% utilization increase in the outyears

REVENUE EXPLANATION

Statutory Dedication revenues reflected in the revenue table above are collections of a 5.5% premium tax assuming the extended coverage for donated breast milk is covered under managed care.



Ein Brasseaus