

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 421** SLS 22RS 609

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.: **REVISED**

Date: April 21, 2022	8:39 AM	Author: LUNEAU
Dept./Agy.: Insurance		Analyst: Shawn Hotstream
Subject: workers' compensation		

WORKERS' COMPENSATION OR SEE FISC NOTE SG EX Page 1 of 1
Provides the billing and collections procedure for surgical implants. (8/1/22)

Proposed law provides requires certain surgical implants provided for injured workers to be reimbursed at the bill price plus 20%. Proposed law defines bill price. The bill price shall be generated by the provider, provider's practice, distributor, manufacturer, hospital, or ambulatory surgery center and sent directly to the workers' compensation carrier.

EXPENDITURES	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.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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						
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	\$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

Information provided by ORM indicates the state impact is indeterminable based on requiring further clarity on the definition of bill price (cost of the material). Proposed law changes the OWCA reimbursement schedule for certain surgical implants and may result in an indeterminable increase in claim expenses for workers compensation carriers (Office of Risk Management). The current OWCA reimbursement schedule provides that plastic and metallic implants supplied by a physician are to be reimbursed at invoice cost plus 20 percent. Proposed law retains the 20% above cost but instead utilizes the manufacture or authorized distributor's state list price, irrespective of any discounts and rebates that were extended to the distributor or purchaser.

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}

Evan Brasseaux

Evan Brasseaux
Interim Deputy Fiscal Officer