Louisiana Legislative	Fiscal Note							
Fiscal Office			Fiscal Note On:	HB	650	HLS	22RS	930
Fiscal Notes			Bill Text Version:	INGRO	SSED			
		Op	Opp. Chamb. Action: Proposed Amd.:					
ANALA I ANAL								
			Sub. Bill For.:			R	EVISE	D
Date: June 2, 2022	4:46 PM		Au	thor: ⊦	ILFER	ΤY		
Dept./Agy.:LDH Subject: Medicaid coverage			Ana	lyst: S	Shawn	Hotstr	eam	
MEDICAID		EG +\$592,788 GF EX See Note				F	Page 1 d	of 1

Provides for Medicaid coverage of prescription breast milk

Proposed law provides the Louisiana Department of Health to provide Medicaid outpatient coverage benefits for medically necessary pasteurized donor human milk upon prescription of an infant's pediatrician stating that the infant Medicaid beneficiary is medically or physically unable to receive maternal human milk or participate in breast feeding, or the infant's mother is medically or physically unable to produce maternal human milk in sufficient quantities. Medicaid shall only reimburse for outpatient donor human milk obtained from a member bank of the Human Milk Banking Association of North America.

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.	\$592,788	\$551,753	\$566,042	\$580,332	\$594,621	\$2,885,536	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0	
Ded./Other	\$54,351	\$111,078	\$113,652	\$116,226	\$118,800	\$514,107	
Federal Funds	\$1,350,861	\$1,385,569	\$1,422,706	\$1,459,842	\$1,496,979	\$7,115,957	
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	
Annual Total	\$1,998,000	\$2,048,400	\$2,102,400	\$2,156,400	\$2,210,400	\$10,515,600	
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	\$54,351	\$111,078	\$113,652	\$116,226	\$118,800	\$514,107	
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	\$54,351	\$111,078	\$113,652	\$116,226	\$118,800	\$514,107	

EXPENDITURE EXPLANATION

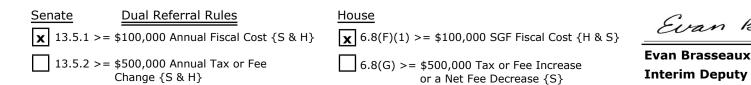
Extending Medicaid outpatient coverage for donated human milk is anticipated to result in approximately \$2 M in Medicaid expenditures in FY 23 and future fiscal years. LDH indicates such coverage is offered initially after birth in an inpatient setting. This measure provides the benefit under certain conditions outside of the hospital setting. The cost reflected in the expenditure table above is based on the following assumptions and calculations:

- 1. 555 eligible babies at a 20% uptake of services)
- 2. 20 ounces of milk consumed daily
- 3. Cost of \$3 per ounce of milk
- 4. received for up to a period of 60 days. (555 babies x 20 ounces x 3 per ounce x 60 days = 1,998,000)
- 5. approximately 2% utilization increase in the outyears

Note: The fiscal note assumes an unlimited supply of human donor milk. To the extent that human donor milk would not be available to meet the demand at any point in time, the expenditures reflected in this fiscal note may be reduced proportionally.

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

Interim Deputy Fiscal Officer