



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 304** HLS 22RS 696
 Bill Text Version: **ENROLLED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

| | |
|---|--------------------------------|
| Date: May 23, 2022 9:08 AM | Author: FRIEMAN |
| Dept./Agy.: Insurance, Office of Group Benefits | Analyst: Patrice Thomas |
| Subject: Coverage and Payment of Physical Therapy Via Telehealth | |

INSURANCE/HEALTH EN NO IMPACT See Note Page 1 of 1
 Provides relative to health coverage plan benefits for physical therapy services delivered via telehealth

Proposed law requires health coverage for physical therapy services delivered via telehealth. Proposed law requires parity equal to in-person physical therapy services. Proposed law prohibits a plan from imposing an annual dollar maximum for telehealth physical therapy different from in-person services. Proposed law requires telehealth payments to be consistent with other provider network payment arrangements. Proposed law prohibits various actions of a plan associated with telehealth. Proposed law excludes coverage or reimbursement for any of the following: (1) a modality that is a type of electrical, thermal, or mechanical energy; and (2) manual therapy, massage, dry needling, or other invasive procedures. Proposed law authorizes the Department of Insurance/Commissioner of Insurance to promulgate rules and enforce provisions of proposed law. Proposed law effective January 1, 2023 (new health coverage plans) and January 1, 2024 (existing health coverage plans).

| EXPENDITURES | <u>2022-23</u> | <u>2023-24</u> | <u>2024-25</u> | <u>2025-26</u> | <u>2026-27</u> | <u>5 -YEAR TOTAL</u> |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| 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 |

| REVENUES | <u>2022-23</u> | <u>2023-24</u> | <u>2024-25</u> | <u>2025-26</u> | <u>2026-27</u> | <u>5 -YEAR TOTAL</u> |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| 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

There is no anticipated direct material effect on governmental expenditures as a result of this measure. Currently, all five self-funded health plans by the Office of Group Benefits (OGB) allow for covered physical therapy services provided via telehealth at the same reimbursement rates as physical therapy services provided in person. Also, the member cost share for telehealth visits is the same as in-person office visits. Therefore, the proposed law is not anticipated to have an impact on the expenditures within OGB.

PRIVATE INSURANCE IMPACT

Pursuant to R.S. 24:603.1, the health actuary for the LA Department of Insurance (LDI) estimates that there will be no materials costs to the private insurance industry as a result of this measure.

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