

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 435** HLS 23RS 728

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 26, 2023	10:13 AM	Author: FREEMAN
Dept./Agy.: LDH/Medicaid		Analyst: Shawn Hotstream
Subject:		

MEDICAID EG SEE FISC NOTE GF EX See Note Page 1 of 1
Provides relative to medicaid coverage of chimeric antigen receptor T-cell therapy

Proposed law requires the Louisiana Medicaid program to cover inpatient and outpatient coverage of CAR T-cell therapy when such therapy is approved by the US Food and Drug Administration.

Proposed law provides for eligibility requirements of the Medicaid enrollee to receive the service, and provides for requirements of the hospital provider to provide the service.

Proposed law requires LDH to submit the necessary state plan amendments to the Centers for Medicare and Medicaid Services (CMS) to implement CAR T-cell therapy coverage under Medicaid.

EXPENDITURES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total						
REVENUES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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>	\$0
Annual Total						

EXPENDITURE EXPLANATION

Information provided by LDH indicates CAR T-cell inpatient therapy is currently covered in the hospital per diem, and outpatient CAR T-cell therapy is currently covered under the Medicaid formulary. Based on current Medicaid coverage, there is no anticipated impact. However, a provision of this measure requires LDH to promulgate rules as necessary to regulate high cost pharmaceutical carve-outs. It is unclear if this language requires LDH to carve out CAR T-cell therapy from the hospital per diem, or managed care. Either will have a fiscal impact to Medicaid by an indeterminable amount. To the extent reimbursement for this service is provided outside of the inpatient per diem, additional Medicaid expenditures are anticipated.

REVENUE EXPLANATION

To the extent this service is carved out of managed care, premium tax revenues are anticipated to be reduced under 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