



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 427** HLS 23RS 76
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 27, 2023	2:32 PM	Author: CREWS
Dept./Agy.: LDH		
Subject: public availability of information		Analyst: Shawn Hotstream

HEALTH CARE/FACILITIES OR INCREASE GF EX See Note Page 1 of 1
 Provides relative to disclosure by healthcare facilities to patients of prices for certain items and services

Proposed law requires healthcare facilities to make public certain price information. A facility shall maintain a list of all standard charges for all facility items or services and ensure the list is available at all times to the public, including by posting the list electronically. Standard charges in the list must reflect the charges applicable to that location of the facility. Proposed law provides for the specific information to be included in the list, including a description of the service provided by the facility, all of the charges for the service (the gross charge, the de-identified minimum and maximum negotiated charge, the the discounted cash price, and the payor-specific negotiated charge), any code used by the facility for the purposes of billing (including the CPT code, HCPCS code, the DRG code, and the ND code). The information must be accessible and available free of charge. Proposed law requires LDH to develop a template that each facility shall use in formatting the list of information. Proposed law additionally provides facility requirements relative to listing charges for shoppable services. Proposed law further requires LDH to monitor each facility's compliance with this law, and authorizes the department to impose an administrative penalty on the facility for non-compliance, and corrective action plan. LDH shall publish on its website names of facilities with violations. Proposed law provides for additional requirements if found to be materially out of compliance by a judge.

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

EXPENDITURE EXPLANATION

Increasing review, audit, and compliance duties of the Health Standards Section of LDH related to hospital reporting requirements is anticipated to result in additional expenditures of LDH. The extent of additional workload will depend on the number of patient complaints requiring review, audits, and facility compliance, and developing and maintaining a stand alone interactive webpage with updated facility fee schedules. LDH anticipates 4 additional positions (3 program managers and 1 administrative position) will be required to support the following additional department duties and functions: audit hospitals webpages to ensure hospitals are posting and updating a current list of standard charges, issue hospital deficiencies, review hospitals plan of correction if necessary, receive patient complaints to ensure proper hospital charges as reported, make decision of validity of complaint, and create and manage a statewide database to retain current and historical data based on provider and provider services.

FY 24 Estimated impact

- \$1,000,000 - one time software cost for stand alone webpage, and additional maintenance costs
- \$362,527 - 3 program manager position salaries (including related benefits), 1 administrative support position
- \$15,679 - operational expenses
- \$1,378,206 - Total FY 24 (\$1,113,462 SGF, \$264,744 Federal)

Outyear annualized impact is estimated to be approximately \$542,000 (\$162,850 SGF, \$379,995).

REVENUE EXPLANATION

A monetary administrative penalty is required to be imposed on a facility if the facility fails to submit a corrective action plan to LDH. The amount is set by the department, and based on the size of the facility.

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

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