



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 565** HLS 25RS 1004

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 22, 2025	6:28 PM	Author: SPELL, ANNIE
Dept./Agy.: Health/Medicaid		
Subject: Third Party Liability		Analyst: Anthony Shamis

MEDICAID

OR SEE FISC NOTE GF EX

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Provides relative to third-party liability, claim adjudication, and timeliness of such within the state medical assistance program

Proposed law provides relative to third-party liability to the state medical assistance program. To provide for Managed Care Organization (MCO) claim payment information; to provide information relative to third-party liability; to require notification regarding insurance information; and to provide penalties for violations.

Proposed law provides that LDH shall withhold payment to the MCO in an amount determined by the department, not less than \$25,000 or greater for each violation by an MCO. If an MCO has committed multiple violations, the minimum amount shall be at least \$100,000.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						

REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed measure prohibits MCOs from amending, modifying, or changing a claim submitted by a healthcare provider or from adjudicating payment of a claim in any manner inconsistent with the way it was billed. To the extent MCOs violate these provisions, LDH shall withhold payment to the MCO an amount to be determined by LDH not less than twenty-five thousand dollars or greater for each violation.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}		<input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}



Patrice Thomas
Deputy Fiscal Officer