



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 114** HLS 25RS 664
Bill Text Version: **ORIGINAL**
Opp. Chamb. Action:

Proposed Amd.:
Sub. Bill For.:

Date: April 28, 2025	5:42 PM	Author: DOMANGUE
Dept./Agy.: Louisiana Department of Health		
Subject: Use of Artificial Intelligence by Healthcare Providers		Analyst: Anthony Shamis

HEALTH CARE/PROVIDERS OR INCREASE GF EX See Note Page 1 of 1
Provides for the use of artificial intelligence by healthcare providers

Proposed law establishes authorized uses, prohibited uses, and penalties for the use of Artificial Intelligence by healthcare providers.

Proposed law requires the Louisiana Department of Health (LDH) to assess a penalty not to exceed \$10,000 per violation for noncompliant healthcare providers. LDH may investigate any actual, alleged, or suspected violations.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	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	\$0	\$0	\$0	\$0	\$0	\$0
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.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
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						

EXPENDITURE EXPLANATION

Proposed law is anticipated to increase SGF expenditures by an indeterminable amount in the LDH, Health Standards Section (HSS), as HSS reports that the department has no way to determine the actual fiscal impact at this time and may need to seek contracted IT Forensic services to establish and monitor a program to regulate the use of Artificial Intelligence (AI) by healthcare providers in FY 26. LDH is authorized to investigate any actual, alleged, or suspected violations of this legislation.

As an illustrative example, HSS anticipates a potential for five (5) surveyors (Medical Certification Specialist 2), one surveyor for each regional office to manage the anticipated workload increase, one (1) Medical Certification Program Manager, and one (1) Program Manager 1A position to carry out the provisions of this legislation. The amount of time to investigate allegations of noncompliance will depend on the size of the healthcare provider, its software systems, the volume of information, and access to individual laptops/PCs. HSS anticipates increased time will be required during the survey process, to determine if the healthcare provider is using AI, review the healthcare provider’s policy and procedures regarding the use of AI, and access to the healthcare provider’s software systems to determine whether or not a violation has occurred. Additionally, HSS anticipates the need for \$34,905 for operating expenses for travel, office space, telephone lines, and supplies; \$18,834 for the purchase of equipment: Computers/monitors, printers, telephones, filing cabinets, desk chairs, mobile scanners/printers.

EXPENDITURES

Position	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Med. Cert. Program Manager (1 T.O.)	\$119,305	\$158,021	\$158,021	\$158,021	\$158,021
Med. Cert. Specialist 2 (5 T.O.)	\$521,019	\$690,091	\$690,091	\$690,091	\$690,091
Program Manager 1A (1 T.O.)	\$96,152	\$127,353	\$127,353	\$127,353	\$127,353
Personal Services Sub-total	\$736,476	\$975,465	\$975,465	\$975,465	\$975,465
Operating Expenses	\$34,905	\$46,540	\$46,540	\$46,540	\$46,540
Professional Services	\$0	\$0	\$0	\$0	\$0
Equipment	\$18,834	\$0	\$0	\$0	\$0
Total Expenditures	\$790,215	\$1,022,005	\$1,022,005	\$1,022,005	\$1,022,005
T.O.	7	7	7	7	7

REVENUE EXPLANATION

Proposed law is anticipated to increase SGR revenue in the LDH, HSS. LDH is required to assess a civil penalty of up to \$10,000 per violation for noncompliant healthcare providers. The number of healthcare provider violations that may occur is unknown, so the impact to revenue is indeterminable at this time.

Senate	Dual Referral Rules	House	
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}		<input checked="" 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}	
			<div>Patrice Thomas Deputy Fiscal Officer</div>