



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 222** HLS 26RS 560
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action: **w/ SEN COMM AMD**
 Proposed Amd.:
 Sub. Bill For.:

Date: May 6, 2026	3:15 PM	Author: BERAULT
Dept./Agy.: Louisiana Department of Health		Analyst: Cristian Nedelea
Subject: Medicaid coverage for necessary dental procedures		

MEDICAID EG1 +\$784,370 GF EX See Note Page 1 of 2
 Requires Medicaid to cover dental procedures for certain Medicaid enrollees

Proposed law requires the Louisiana Medicaid program to cover a dental procedure for a Medicaid enrollee when the procedure is medically necessary for the patient to be cleared to receive another Medicaid-covered medical procedure.

Proposed law requires the secretary of the Louisiana Department of Health (LDH) to submit all necessary state plan amendments to the Centers for Medicare and Medicaid Services; to promulgate all necessary rules and regulations; and to take all necessary actions to implement the provisions of proposed law.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$784,370	\$1,026,529	\$1,057,324	\$1,089,044	\$1,121,715	\$5,078,982
Agy. Self-Gen.		\$0	\$0	\$0	\$0	\$0
Ded./Other	\$18,861	\$76,576	\$78,873	\$81,240	\$83,677	\$339,227
Federal Funds	\$1,711,582	\$2,350,573	\$2,421,090	\$2,493,723	\$2,568,535	\$11,545,503
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$2,514,813	\$3,453,678	\$3,557,287	\$3,664,007	\$3,773,927	\$16,963,712
REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
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 result in an expenditure increase of \$2.5 M (\$784,370 SGF, \$18,861 Statutory Dedications out of the Medical Assistance Trust Fund - MATF, \$1.7 M Federal) in FY 27 (9 months of payments) within the Louisiana Department of Health (LDH), \$3.5 M (\$1 M SGF, \$76,576 Stat Ded - MATF, \$2.4 M Federal) in FY 28 (12 months), and increasing in subsequent fiscal years at a three percent growth rate.

Note: A line-item amendment to HB 1 of 2026 RS adopted in House Appropriations committee directs LDH to allocate funding from the monies appropriated to the Medical Vendor Payments, Private Providers program, for medically necessary dental procedures required for clearance to receive another Medicaid-covered medical procedure, in the event HB 222 of 2026 RS is enacted into law.

The expenditure projection is based on data and assumptions shown below:

(1) Impacted population consists of 5,966 Medicaid enrollees between 21 and 65 years old with certain health conditions who are enrolled in a Dental Benefit Program Manager (DBPM):

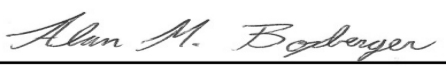
<u>Condition</u>	<u>Enrollee Count</u>
Organ Transplant	91
Cardiac Valve Replacement	800
Chemotherapy	2,964
CAR T-Cell Therapy	16
Dialysis	<u>2,095</u>
TOTAL	5,966

EXPENDITURE EXPLANATION CONTINUED ON PAGE TWO

REVENUE EXPLANATION

Proposed law is anticipated to result in an indeterminable increase in Statutory Dedication revenues in MATF within LDH. The revenue increase is a direct result of the 2.25% premium tax collections levied on DBPM payments. To the extent that the proposed law increases dental service utilization and associated costs, those costs will be incorporated into the actuarially sound capitation payments made by LDH to DBPMs, thus increasing premium tax collections. Because premium tax collections are based on a calendar year and assuming an effective date of 10/01/2026, the fiscal impact for FY 27 is based only on three months of collections (October through December 2026).

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<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}


Alan M. Boxberger
Legislative Fiscal Officer



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CONTINUED EXPLANATION from page one:

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EXPENDITURE EXPLANATION CONTINUED FROM PAGE ONE

- (2) Estimated average total annual cost per enrollee: \$483.62.
- (3) FY 27 assumes 9 months of usage with an effective date of 10/01/2026.
- (4) 3% yearly increase in estimated cost.
- (5) 2.25% premium tax is factored into the total cost. Statutory Dedications for FY 27 reflect three months of premium taxes, which are collected on a calendar year basis.
- (5) Financing: LDH assumed a 68.06% blended FMAP rate overall.

Note: The LFO is unable to corroborate the expenditure estimates projected by LDH. The LFO has requested LDH to provide detailed information on the assumptions and methodology used to estimate the anticipated increase in Medicaid expenditures. To the extent that actual utilization of dental services varies from projections, total costs would shift accordingly. Should additional information regarding estimated expenditures become available, this fiscal note will be updated.

Senate Dual Referral Rules

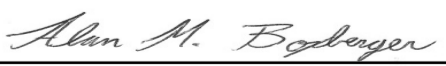
13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

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}


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