

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 662** HLS 16RS 1165  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> April 6, 2016 7:23 AM	<b>Author:</b> BARRAS
<b>Dept./Agy.:</b> DHH/Medicaid	<b>Analyst:</b> Shawn Hotstream
<b>Subject:</b>	

MEDICAID OR +\$2,418,230 SD RV See Note Page 1 of 1  
 Provides for a fee on emergency ground ambulance service providers

Proposed law provides the Department of Health and Hospitals to establish a provider fee for emergency ground ambulance service providers.

Proposed law provides the fee shall not exceed the total cost to the state of providing the healthcare service subject to the fee. Proposed law provides that the fee shall not exceed one and a half percent of the net operating revenue of emergency ground ambulance providers.

Proposed law defines an emergency ground ambulance service provider as a private, for profit, nonpublic, nonfederal provider of emergency ground ambulance service that is contracted with a unit of local or parish government of Louisiana for the provision of 911 emergency ground ambulance transportation on a regular 24 hour per day and 7 days a week basis.

<b>EXPENDITURES</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>						
<b>REVENUES</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$2,418,230	\$2,418,230	\$2,418,230	\$2,418,230	\$2,418,230	<b>\$12,091,150</b>
Federal Funds	\$3,989,375	\$3,989,375	\$3,989,375	\$3,989,375	\$3,989,375	<b>\$19,946,875</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>	<b>\$6,407,605</b>	<b>\$6,407,605</b>	<b>\$6,407,605</b>	<b>\$6,407,605</b>	<b>\$6,407,605</b>	<b>\$32,038,025</b>

**EXPENDITURE EXPLANATION**

Additional revenues are anticipated to be used as a state match source to draw federal financial participation for expenditures in the Medicaid program

**REVENUE EXPLANATION**

Proposed provider fee is anticipated to generate approximately \$2.4 M in statutory dedication revenues FY 17 and future fiscal years. These revenues are anticipated to be used as a state match source to draw federal financial participation for expenditures in the Medicaid program.

This measure authorizes DHH to establish a provider fee on emergency ground ambulance service providers. The fee can not exceed 1.5% of the net operating revenue of such providers. The fiscal note assumes a provider fee of \$6 for emergency trips provided by an emergency ambulance provider, and a \$2.50 provider fee for non emergency trips provided by an emergency ambulance provider. These effective provider fee rates reflected in the fiscal note are not anticipated to exceed the 1.5% provider fee threshold limit indicated in the bill.

The estimate is based on the following calculations and assumptions:

Revenues:

<u>Emergency Provider Service</u>	<u>Projected Total Trips</u>	<u>Provider Fee</u>	<u>New Revenue</u>
Emergency Trip	349,093	\$6.00	\$2,094,560
Non Emergency Trip	129,468	\$2.50	<u>\$323,670</u>
Revenue total			\$2,418,230

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| <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 checked="" 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} |

*Evan Brasseaux*  
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**Staff Director**