Louisiana Legislative	LEGISLATIVE FISCAL OFFICE Fiscal Note									
Legislative Fiscal		Fiscal Note On:	SB 464	SLS	22RS	1097				
Fiscal Office Fiscal Notes	Bill Text Version: ENGROSSED									
NOT ALL ALL ALL ALL ALL ALL ALL ALL ALL AL	Opp. Chamb. Action:									
	Proposed Amd.:									
Advantage and a second s		Sub. Bill For.:								
Date: April 22, 2022	8:45 AM	Aut	Author: TALBOT							
Dept./Agy.:LDH										
Subject: genetic testing		Ana	Analyst: Shawn Hotstream							

MEDICAID

EG +\$1,494,445 GF EX See Note

Provides relative to Medicaid coverage for genetic testing of critically ill infants with no diagnosis. (8/1/22)

Propose law requires LDH to include coverage on a fee for service basis for rapid whole genome sequencing testing of an infant who is enrolled in a Medicaid managed care program and meets certain criteria.

EXPENDITURES	<u>2022-23</u>	2023-24	2024-25	<u>2025-26</u>	2026-27	5 -YEAR TOTAL
State Gen. Fd.	\$1,494,445	\$1,538,609	\$1,774,056	\$2,045,450	\$2,361,455	\$9,214,015
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$107,250	\$308,688	\$355,438	\$409,750	\$472,313	\$1,653,439
Federal Funds	\$3,348,305	\$3,865,203	\$4,458,006	\$5,144,800	\$5,941,232	\$22,757,546
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$4,950,000	\$5,712,500	\$6,587,500	\$7,600,000	\$8,775,000	\$33,625,000
REVENUES	2022-23	2023-24	2024-25	2025-26	2026-27	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$107,250	\$308,688	\$355,438	\$409,750	\$472,313	\$1,653,439
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	\$107,250	\$308,688	\$355,438	\$409,750	\$472,313	\$1,653,439

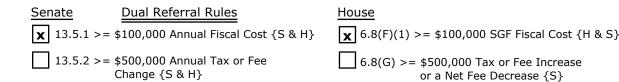
EXPENDITURE EXPLANATION

Providing Medicaid coverage for whole genome sequencing testing is projected to result in approximately \$4.9 M in Medicaid expenditures in FY 23, increasing by approximately 15% annually. The estimate increase in expenditures is based on the following calculations and assumptions;

- 1) 396 babies eligible in FY 23 (based on approximately 5% of infants admitted to Level III and IV NICU in Louisiana)
- 2) \$12,500 cost of rapid sequencing test
- 3) \$4,950,000 first year Medicaid cost (\$12,500 * 396 babies)
- 4) 15% projected increase in cost in future years based on utilization

REVENUE EXPLANATION

Statutory Dedications in the revenue table above represent revenues generated from a 5.5% premium tax of the premiums paid to the managed care organizations.



Ein Brasseaux

Page 1 of 1

Evan Brasseaux Interim Deputy Fiscal Officer