

July 2023

Economic Impact Statements for Proposed Rules

The corresponding proposed rule to each of the statements below may be viewed in its entirety in the July 20, 2023 *Louisiana Register*. Each *Louisiana Register* edition is published on the 20th of each month.

Promulgating Agency	Proposed Rule Title	Estimated Costs and/or Economic Benefits to Directly Affected Persons, Small Businesses or Nongovernmental Groups
Department of Agriculture and Forestry	Identification of Goats	The proposed rule change is not anticipated to increase or decrease costs to the market.
Board of Elementary and Secondary Education	Bulletin 111—The Louisiana School, District, and State Accountability System—Early Learning Center Licensing Regulations	Early learning providers will be affected by the proposed rule change, although the impact is expected to be minimal. The rule change provides clarity and updates definitions, as well as requires the development and/or posting of locally-developed policy.
Board of Elementary and Secondary Education	Bulletin 111—The Louisiana School, District, and State Accountability System—Social Studies Assessment Transition	The proposed rule change will not result in costs and/or benefits to directly affected persons, small businesses, or non-governmental groups.
Board of Elementary and Secondary Education	Bulletin 136—The Louisiana Standards for Early Childhood Care and Education Programs Serving Children Birth-Five Years—Early Learning and Development Standards	The proposed rule change may require child care providers to participate in further training; however, LDE covers much of the cost of these trainings through Child Care Resource and Referral Agencies and/or through online trainings developed and provided by LDE.
Board of Elementary and Secondary Education	Bulletin 140—Louisiana Early Childhood Care and Education Network	The proposed rule change will not result in costs and/or benefits to directly affected persons, small businesses, or non-governmental groups.
Board of Elementary and Secondary Education	Bulletin 741—The Louisiana School, District, and State Accountability System—Graduation Appeals Process	The proposed rule change will benefit certain high school seniors by allowing students to graduate via an alternate portfolio approach. Some students may graduate on time despite not meeting the LEAP 2025 assessment requirements for graduation. In years prior to COVID, approximately 5percent to 7percent of public-school students did not meet graduation requirements due only to the fact that the required LEAP assessment scores were not achieved. This policy change will allow these students to demonstrate the fulfillment of the same course proficiency standards as currently proven via standardized assessments, through an appeal in which the portfolio will serve as a substitute in verifying course competency.
Board of Elementary and Secondary Education	Bulletin 746—Louisiana Standards for State Certification of School Personnel—Certification Endorsements	The proposed rule change will provide time for certified educators already in the process of completing course requirements toward additional certification endorsements to complete those requirements as initially communicated.
Department of Environmental Quality	Solid Waste Regulations	The proposed rule change will not result in increased costs to anyone purchasing a tire. The change would allow for Solid Waste Type III operators to landfill disposable tire material. This rule change would provide an additional revenue stream should the operators take advantage of it. Operators may experience a one-time cost for the purchase of equipment to process and dispose waste tires.
Capital Area Groundwater Conservation Commission	Measuring Well Yield	The proposed rule change will have no impact on small business analysis as described in R.S. 974.5.
Capital Area Groundwater Conservation Commission	Water Well Permits and Plans	The proposed rule change will have no impact on small business analysis as described in R.S. 49:978.5.

Promulgating Agency	Proposed Rule Title	Estimated Costs and/or Economic Benefits to Directly Affected Persons, Small Businesses or Nongovernmental Groups
Department of Health	Dental Benefit Plan Manager and Healthy Louisiana Managed Care Organization Medical Loss Ratio	This proposed rule continues the provisions of the July 1, 2023 Emergency Rule, which amended the provisions governing managed care for physical and behavioral health in order to align the medical loss ratio period for the dental benefit plan manager and the Healthy Louisiana managed care organizations with the capitation rating period for the purposes of required reporting, in compliance with 42 CFR 438.74. It is anticipated that implementation of this proposed rule will not result in costs to dental or managed care providers and will have no impact on small businesses in FY 23-24, FY 24-25, and FY 25-26.
Department of Health	Facility Need Review Exception Criteria for Bed Approvals	This proposed rule continues the provisions of the June 9, 2023 Emergency Rule, which amended the provisions governing facility need review approvals of licensed and Medicaid certified facility beds in order to prevent the expiration of approvals for nursing facilities, intermediate care facilities for persons with developmental disabilities, and adult residential care providers with inactivated licenses as a result of an executive order or proclamation of emergency or disaster issued in accordance with R.S. 29:724 or 29:766. It is anticipated that implementation of this proposed rule will not result in costs to these providers for FY 23-24, FY 24-25, and FY 25-26, but will be beneficial by allowing those with inactivated licenses as a result of executive orders or proclamations of emergency or disaster to retain facility need approval for licensed and Medicaid certified beds.
Department of Health	Health Services for American Indians 638 Facilities	This proposed rule amends the provisions governing in order to align on-site requirements for physicians in tribally operated 638 facilities with the regulations at 42 CFR 440.90 and §1905(a)(9) of the Social Security Act. The proposed rule removes the requirement that the 638 facility have a physician on-site at least 20 hour per week during normal business hours, as this is not required for other Medicaid-enrolled clinics. Implementation of this proposed rule will not result in costs to providers and small businesses in FY 23-24, FY 24-25, and FY 25-26, and will be beneficial by aligning the administrative rule with the federal regulations governing these clinics.
Department of Health	Home and Community-Based Services Waivers Community Choices Waiver Self-Direction Initiative	This proposed rule continues the provisions of the June 9, 2023 Emergency Rule, which amended the provisions governing the Community Choice Waiver (CCW) self-direction initiative in order to remove the specific age requirement for employees under the self-direction service option and stipulate that these providers must meet the minimum age requirement as per the licensing provisions of Chapter 92 in Title 48 of the <i>Louisiana Administrative Code</i> . Implementation of this proposed rule is not anticipated to result in costs to providers of CCW services or small businesses in FY 23-24, FY 24-25, and FY 25-26, but will be beneficial by ensuring that the age requirements for employees under the self-direction service option align with the licensing provisions for providers of these services.
Department of Health	Home and Community-Based Services Waivers Residential Options Waiver Self-Direction Initiative	This proposed rule continues the provisions of the June 9, 2023 Emergency Rule, which amended the provisions governing the Residential Options Waiver (ROW) self-direction initiative in order to remove specific requirements for employees of beneficiaries in the self-direction service option and stipulate that these providers must meet the qualifications for furnishing personal care services as set forth in the licensing provisions of Chapter 92 in Title 48 of the Louisiana Administrative Code. Implementation of this proposed rule is not anticipated to result in costs to providers of ROW services or small businesses in FY 23-24, FY 24-25, and FY 25-26, but will be beneficial by ensuring that the requirements for employees of beneficiaries in the self-direction service option align with the licensing provisions for providers of personal care services.

Promulgating Agency	Proposed Rule Title	Estimated Costs and/or Economic Benefits to Directly Affected Persons, Small Businesses or Nongovernmental Groups
Department of Health	Managed Care for Physical and Behavioral Health Reimbursement Methodology	This proposed rule amends the provisions governing managed care for physical and behavioral health in order to ensure that the administrative rule reflects the current reimbursement methodology for federally qualified health centers (FQHCs) and rural health clinics (RHCs). This rule clarifies that FQHCs and RHCs are reimbursed by the Medicaid managed care organizations at least the amount the department would pay for services through fee-for-service, or according to the prospective payment system rate or the alternative payment methodology rate in effect on the date of service for each encounter. It is anticipated that implementation of this proposed rule not result in costs to providers and will have no impact on small businesses in FY 23-24, FY 24-25, and FY 25-26, but will be beneficial by ensuring that the provisions governing reimbursement to FQHCs and RHCs are clearly promulgated in the Louisiana Administrative Code.
Department of Health	Medicaid Eligibility Former Foster Care Children Group	This proposed rule amends the provisions governing Medicaid eligibility for former foster care children who turned 18 on or after January 1, 2023, in order to remove the requirement that they not be eligible under another mandatory group and to extend coverage in the Former Foster Care Children Group to those individuals who aged out of foster care in another state, as long as they otherwise meet the eligibility requirements for the group. The proposed rule complies with Section 1002(a) of the "Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act" (the "SUPPORT Act"). Providers and small businesses will benefit from implementation of this proposed rule as it is anticipated to increase Medicaid payments for services provided to certain former foster care children by approximately \$6,630 for FY 23-24, \$6,945 for FY 24-25, and \$7,578 for FY 25-26, since these individuals were not previously eligible for coverage.
Department of Health	Nurse Staffing Agencies Licensing Standards	This proposed rule adopts provisions governing the licensing of nurse staffing agencies (NSAs), in compliance with Act 577 of the 2022 Regular Session of the Louisiana Legislature. Implementation of this proposed rule is anticipated to result in an indeterminable impact on NSA providers in FY 23-24, FY 24-25, and FY 25-26, since there is no way to determine how many will be required to pay nonrefundable application fees, how many licensed NSAs may be required to pay other fees, or how many NSAs may be assessed penalties for operation without a license.
Department of Health	Outpatient Hospital Services Public Non-State Small Rural Hospitals	This proposed rule continues the provisions of the July 1, 2023 Emergency Rule, which amended the provisions governing outpatient hospital services in order to establish quarterly supplemental payments for a public non-state small rural hospital located in administrative region 3 that renders qualifying services during the quarter. The proposed rule ensures that obstetrical services which were discontinued by the non-rural hospital in St. Mary Parish remain locally available to Medicaid beneficiaries by providing additional funding to the public non-state small rural hospital that must absorb the patient volume for these services. It is anticipated that implementation of this proposed rule will result in additional payments to this facility but will have no overall fiscal impact to the Medicaid Program in FY 23-24, FY 24-25, and FY 25-26, as these payments are from the aggregate outpatient upper payment limit cap which is a finite funding source. Funding available for other public non-state hospitals would be offset by these payments.

Promulgating Agency	Proposed Rule Title	Estimated Costs and/or Economic Benefits to Directly Affected Persons, Small Businesses or Nongovernmental Groups
Department of Health	Rural Health Clinics Reimbursement Methodology	This proposed rule continues the provisions of the July 1, 2023 Emergency Rule, which amended the reimbursement methodology for rural health clinics (RHCs) in order to remove a July 1, 2007 cutoff date for RHCs licensed as small rural hospital outpatient departments to be reimbursed at 110 percent of cost to allow existing RHCs licensed after the cutoff date and new RHCs to receive the enhanced reimbursement going forward. This proposed rule also ensures that the provisions of the Louisiana Administrative Code are consistent with the revised statute governing these services. Implementation of this proposed rule is anticipated to increase reimbursements to qualifying RHCs by \$17,331,336 for FY 23-24, \$17,693,007 for FY 24-25, and \$18,061,611 for FY 25-26.
Department of Health	Third Party Liability Pay and Chase	This proposed rule amends the provisions governing recovery for claims involving third party liability in order to ensure that the current pay and chase methodology is reflected in the <i>Louisiana Administrative Code</i> (LAC). This proposed rule ensures that the current claims methodology, implemented by Louisiana Medicaid in 2021 in compliance with the Bipartisan Budget Act of 2018, is added to the LAC. Implementation of this proposed rule will not result in costs to providers or small businesses in FY 23-24, FY 24-25, and FY 25-26, but will be beneficial by ensuring that the administrative rule aligns with federal regulations.
Department of Health	Health Professional Development Program	The proposed rule is anticipated to have a positive impact on individuals who are accepted into the Health Professional Development Program. Participants are eligible to receive up to \$150,000 to pay down their student loan costs, decreasing their debt burden. Additionally, students who fulfill all requirements of the Rural Health Scholars Program will receive a stipend not to exceed \$6,000 and an additional \$2,000 toward living expenses for a total of \$8,000. The hosting healthcare facility will receive a maximum of \$5,000 per each student participant hosted. Each university/school of higher education will receive \$5,000 for program participation. Number of students selected and stipend amounts may vary depending on funding.
Department of Natural Resources	Inactive Well Assessments	The group directly affected by the rule change will be Exploration and Production (E&P) operating companies. The rule change is anticipated to apply to 480 operators. Of this total, 364 (75.8%) are expected to see an increase in their assessment amount, 90 (18.8%) are expected to see a decrease in their assessment amount, and 26 (5.4%) are expected to see no change in their assessment amount. The average assessment increase is \$6,064 per year. Of those operators seeing an increase, 66.8% will see an increase less than \$5,000 per year. Three (3) operators, 0.8% of those seeing an increase, are anticipated to have more than a \$100,000 increase in their annual assessment amount. The above estimates do not include the offset that will be allowed under the proposed rule for operators that permanently abandon more than 10 wells in the year preceding the assessment.
Department of Natural Resources	Venting and Flaring of Natural Gas	The primary group impacted by these rule changes will be Exploration and Production (E&P) companies. There are additional costs associated with the proposed rule change which should be balanced by revenue increases.
Department of Public Safety and Corrections	Inmate Mail and Publications	There is no estimated cost and/or economic benefit to directly affected persons or non-governmental groups.
Department of Revenue	Collection Fee	Persons indebted to state agencies and local governments will be directly affected by the proposed action. The final amount owed by referred debtors will decrease by a corresponding amount of the fee reduction.