

**September 2021**

**Economic Impact Statements for Proposed Rules**

The corresponding proposed rule to each of the statements below may be viewed in its entirety in the September 20, 2021 *Louisiana Register*. Each *Louisiana Register* edition is published on the 20<sup>th</sup> of each month.

<b>Promulgating Agency</b>	<b>Proposed Rule Title</b>	<b>Estimated Costs and/or Economic Benefits to Directly Affected Persons, Small Businesses or Nongovernmental Groups</b>
<b>Department of Agriculture and Forestry</b>	<b>Industrial Hemp</b>	Under the proposed rules, LDAF will no longer license processors of consumable hemp products. Therefore, processors of consumable hemp products are anticipated to realize a savings of \$16,000 in licensing fees.
<b>Department of Agriculture and Forestry</b>	<b>Restrictions on Application of Certain Pesticides</b>	There are no anticipated additional costs or economic benefits to affected small businesses, or non-governmental groups as a result of the proposed rules. Citizens who live along the banks of the Toledo Bend Reservoir or Lake Bistineau would no longer be required to attend an in-person training or keep training records if they decided to treat the Giant Salvinia along the banks of their property with a herbicide, but they are still required to follow the EPA guidelines for private applicators.
<b>Department of Agriculture and Forestry</b>	<b>Weights and Measures</b>	The proposed rule changes to Sections 125 and 127 are estimated to cost licensees a total of \$394,030. The proposed fee increases are as follows: Section 125: Category 1 (Small) Scales - fee increase from \$35 to \$50 Category 2 (Medium) Scales - fee increase from \$80 to \$115 Category 3 (Large) Scales - fee increase from \$185 to \$215 Section 127: Late fee of \$25 will be extended to include Weighmaster, Service Agency, and Service Technician licenses. The proposed rule changes to Sections 101, 113, and 123 are not anticipated to increase or decrease costs to the market.
<b>Department of Children and Family Services</b>	<b>TANF Grant Amounts</b>	Implementation of this proposed rule will have an economic benefit for FITAP and Kinship Care Subsidy recipients given that this will result in increased payments to these recipients. Families that receive FITAP cash assistance will receive on average an additional \$209.82 in monthly benefits. Kinship Care Subsidy recipients will receive an additional \$228 in monthly subsidy payments.
<b>Department of Children and Family Services</b>	<b>TANF NRST Benefits and Post-FITAP Transitional Assistance</b>	Implementation of this proposed rule will have an economic benefit for TANF recipients given that this will result in increased payments to recipients for nonrecurrent, short-term and Post FITAP benefits. The benefit per recipient is dependent on the recipient's income and the total amount of TANF funding allocated for this purpose. The budget in FY 22 for these payments initiatives is \$14,808,732. This amount will vary in future fiscal years depending on the allocation of future Federal TANF block grant funding.
<b>Department of Children and Family Services</b>	<b>Sanctions, Child Placing Supervisory Visits, and Specialized Provider Provisions</b>	Certain individuals, such as contractors, volunteers and owner/operators, who reside outside of the state of Louisiana may be required to pay a fee for a state central registry clearance every five years to another state if an individual resides in a state other than Louisiana. This fee, if assessed by another state varies, by state and is expected to be minimal.
<b>Department of Culture, Recreation, and Tourism</b>	<b>Rosedown Plantation Admission Fee</b>	There is no estimated costs and/or economic benefits to directly affected persons, small businesses, or non-governmental groups.
<b>Auctioneers Licensing Board</b>	<b>Auctioneers</b>	The proposed rule will have no additional cost or economic benefit. The rule is simply a measure to further define the requirements already set by statute regarding online auctions.

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<b>Board of Examiners for New Orleans and Baton Rouge Steamship Pilots for the Mississippi River</b>	<b>Qualifications and Examination of Pilots</b>	The proposed rule changes will not subject current or potential pilots to additional costs. Further, these rules revise the application process as well as the educational and experiential requirements for becoming a pilot and are anticipated to create a larger applicant pool. This will allow for a greater number of individuals with diverse backgrounds to be eligible to enjoy the economic benefits of becoming a riverboat pilot.
<b>Board of Examiners for New Orleans and Baton Rouge Steamship Pilots for the Mississippi River</b>	<b>Standards of Conduct</b>	The proposed rule changes will not subject current or potential pilots to additional costs. Further, these rules expand continuing education options, make permanent a prior emergency rule requiring twelve hours of rest in between turns, and modify the recency requirement to allow for a greater number of turns to count towards recency. Violating any of these rules may subject a pilot to disciplinary action by the Board of Examiners, up to and including revocation of a Pilot's commission. The new rule also mandates a retirement age of 70 years in accordance with Louisiana law.
<b>Crime Victims Reparations Board</b>	<b>Compensation to Victims</b>	There will be an indeterminable fiscal impact to the revenue of medical providers and facilities as a result of the proposed rule change. The proposed rule establishes a new fee schedule for allowable procedures associated with a forensic medical examination. Some medical providers may experience an increase in revenue due to the new fee schedule while others may experience a decrease as compared with the current reimbursement rate.
<b>Office of Broadband Development and Connectivity</b>	<b>Granting Unserved Municipalities Broadband Opportunities</b>	For cost considerations, the proposed rule is anticipated to create optional, minor costs for directly affected persons, small businesses, or non-governmental groups. This would take the form of broadband service packages offered by private providers to prospective broadband recipients provided the opportunity to subscribe to broadband service. Recent national averages for broadband subscriptions range from \$50 to \$75 per month. The possible economic benefits to directly affected persons, small businesses, or non-governmental groups is substantial, yet indeterminable. Increased broadband access has the potential to transform smaller, rural communities consisting of persons, small businesses, or non-governmental groups, through increased economic output, namely in the form of enhanced employment opportunities, higher wages, business development, improved access to healthcare, and educational opportunities.
<b>Board of Optometry Examiners</b>	<b>Optometric Telemedicine</b>	It is estimated that there will be no significant or quantifiable market disruption, nor significant cost or economic benefit to small businesses, or non-governmental groups. The proposed rule changes may increase fees in the aggregate for individual optometry examiners due to certain required continuing education courses though this experience will be variable.
<b>Department of Health</b>	<b>Act 421 Children's Medicaid Option</b>	This proposed rule repeals the provisions of the Act 421 Children's Medicaid Option (421-CMO) Section 1115 demonstration waiver program in order to establish 421-CMO as an optional eligibility group under the Medicaid State Plan in compliance with Act 421 of the 2019 Regular Session of the Louisiana Legislature. This proposed rule will be beneficial to qualified children with disabilities by allowing them to access Medicaid services regardless of their parents' income. Providers will benefit from implementation of this proposed rule since they will receive reimbursement for the provision of services that were previously not covered for this population. It is anticipated that implementation of this proposed rule will increase expenditures for Medicaid services by approximately \$34,244,209 for FY 21-22, \$68,485,178 for FY 22-23, and \$68,485,178 for FY 23-24, of which \$27,200,000 is currently appropriated annually.

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Department of Health	Behavioral Health Services Services for Targeted Populations	In compliance with the June 6, 2018 agreement between the Department of Health and the U.S. Department of Justice, this proposed rule adopts provisions to include personal care services (PCS) and individual placement and support (IPS) supported employment services in the behavioral health services covered for individuals at least 21 years of age with mental health disorders who have transitioned from a nursing facility or have been diverted from nursing facility level of care. This proposed rule will be beneficial to qualified recipients by providing access to PCS and IPS services. Providers will benefit from implementation of this proposed rule since they will receive reimbursement for the provision of services that were previously not covered for this population. It is estimated that implementation of this proposed rule will increase expenditures for Medicaid services by \$1,981,377 for FY 21-22, \$3,962,755 for FY 22-23, and \$3,962,755 for FY 23-24.
Department of Health	Federally Qualified Health Centers and Rural Health Clinics Community Health Worker Services Alternative Payment Methodology	This proposed rule amends the provisions governing reimbursement for federally qualified health centers (FQHCs) and rural health clinics (RHCs) in order to establish an alternative payment methodology which will allow reimbursement outside of the current prospective payment system rate for community health worker services provided in FQHCs and RHCs. This proposed rule will be beneficial to recipients since it allows them to receive enhanced services from FQHCs and RHCs. It is anticipated that implementation of this proposed rule will result in increased payments to FQHCs and RHCs of approximately \$256,511 for FY 21-22, \$785,587 for FY 22-23, and \$1,089,346 for FY 23-24 for the provision of community health worker services.
Department of Health	Managed Care for Physical and Behavioral Health—Independent Review Process for Provider Claims	In compliance with Act 204 of the 2021 Regular Session of the Louisiana Legislature, this proposed rule amends the provisions governing the independent review process for claims filed by managed care providers in order to add provisions that allow mental health rehabilitation providers to seek an independent review of waste and abuse recoupments by managed care organizations (MCOs). This proposed rule will be beneficial to providers of mental health rehabilitation services as it will allow them to obtain independent reviews of adverse determinations by MCOs that result in the recoupment of the payment of claims. The implementation of this proposed rule may result in an impact to the MCOs and mental health rehabilitation providers for FY 21-22, FY 22-23, and FY 23-24; however, any potential impact cannot be determined as there is no way to know if there will be recoupments or payments made as a result of this process.
Department of Health	Public Health Immunization Requirements	The proposed rule may have an economic benefit to healthcare providers that administer vaccines and vaccine manufacturers, given that this is likely to be an increase demand for vaccinations. The proposed rule may have an increased cost to health insurance programs, including Medicaid, associated with reimbursing providers for the cost associated with administering the vaccines.
Department of Insurance	Regulation 119—Issuance of Consent or a Waiver Pursuant to R.S. 22:1554	The proposed rule will affect all insurance producers requesting consent or a waiver pursuant to R.S. 22:1554(A)(18). A producer must file a written request of consent or a waiver in writing on a form approved by the commissioner. Penalties may be imposed for failure to comply with this regulation. The number of insurance producers that may be assessed penalties is unknown.

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<b>Louisiana Lottery Corporation</b>	<b>Lottery Sports Wagering</b>	Sports wagering establishments are projected to earn 10% of net gaming proceeds or \$100,000 per year. Sports betting patrons as a group are projected to have net additional purchases ranging from \$2.6M to \$7.6M annually from mobile sports wagering and sports wagering mechanisms provided by the Corporation.
<b>Professional Engineering and Land Surveying Board</b>	<b>Principles and Practice of Land Surveying Examination, Engineering Co-Op Programs and Continuing Professional Development</b>	The proposed rule change will have no estimated impact on costs and/or economic benefits to directly affected persons, small businesses or non-governmental groups.