

October 2019

Economic Impact Statements for Proposed Rules

The corresponding proposed rule to each of the statements below may be viewed in its entirety in the October 20, 2019 *Louisiana Register*. Each *Louisiana Register* edition is published on the 20th of each month and can be viewed here: <https://www.doa.la.gov/Pages/osr/reg/regs2019.aspx>

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	Industrial Hemp	Under the proposed regulations, persons choosing to participate in the industrial hemp program must pay an annual \$500 license fee for each seed producer, grower, processor, and contract carrier as well as pay sample testing fees of \$250 per plot of industrial hemp. Licensees will incur operating expenses associated with the production, transportation and processing of the industrial hemp crop. In addition, to the extent in which they are licensed, persons will potentially realize profits over time from the production, transportation and processing of industrial hemp.
Department of Children and Family Services	Adoption Subsidy Program and Adoption Petition Program	The economic benefit to certain adopted youth and their adoptive parents is continued financial support of an average of \$403.39 per month until the youth reaches the age of 21.
Department of Children and Family Services	State Central Registry	There may be an economic cost to individuals included in the SCR given that it will limit their opportunity to own, operate, or work in therapeutic group homes licensed by LDH. However, individuals have the right to appeal any investigative findings before it would impact their own, operate, or work in one of these facilities.
Department of Economic Development	Motion Picture Production Tax Credit Program (LAC 61:I.6105 and 6107)	Firms who are eligible for film tax credits may realize a reduction in tax liabilities to the extent they qualify for the credit and are able to receive additional credits to the extent other firms do not utilize the entirety of their initial film tax credit allocation.
Board of Elementary and Secondary Education	Bulletins 111, 118 and 741—English Language Proficiency	There are no estimated costs and/or economic benefits to directly affected persons or non-governmental groups as a result of the proposed policy revisions.
Board of Elementary and Secondary Education	Bulletin 746—Louisiana Standards for State Certification of School Personnel—Certifications and Endorsements	Individuals required to complete the Praxis in order to receive certification will benefit from the change. Proposed rule provides for a prospective 12-month window to allow for increases in passing scores. (Individuals earning at least the old score between the date of adoption and the effective date will pass.) The changes will also provide a 12-month window prior to the effective date for scores which have decreased. (Individuals earning a score of at least the new score but less than the old score during this window will pass.)

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Board of Elementary and Secondary Education	Bulletin 1566—Pupil Progression Policies and Procedures Regular Placement—Summer Remediation	Charter schools, which are also public schools, will experience impacts similar to the local school districts as a result of the proposed revisions. Any savings will vary by school and are indeterminable at this time.
Office of Student Financial Assistance	Scholarship/Grant Programs TOPS Exceptions	The proposed rule changes will benefit high school students by providing additional course equivalency options to meet TOPS core curriculum requirements. Currently there are no schools offering the proposed coursework. The University of Cambridge indicated enrollments are not expected until the 2020-2021 school year.
Patient’s Compensation Fund Oversight Board	Rulemaking Petitions	Trainers, veterinarians, and owners will be impacted by the proposed administrative rule in that it increases the penalties associated with the prohibited medication Clenbuterol when a quarter horse is found to be positive following a horse race. The horse will be placed on a Stewards’ List and will be ineligible to race for a period of 60 days from the date of the positive. This may have an economic impact to directly affected persons.
Racing Commission	Permitted Medications in Quarter Horses	Individuals seeking to enroll in alternate teacher preparation programs may be impacted to the extent they satisfy updated requirements relative to admission into, and completion of alternate teacher preparation programs.
Behavior Analyst Board	Supervision Requirements	The proposed rule change to the supervision requirements for SCABAs and RLTs clarify what may constitute face-to-face contact, real time 1:1 contact, on-site contact, and what constitutes qualifying supervisory activities utilizing electronic means. Furthermore, the proposed rule changes allow RLTs to receive their mandatory 5 percent of supervised practice hours each month to occur electronically. These supervisory changes may benefit SCABAs and RLTs by allowing them to practice in certain areas without a supervising licensed behavior analyst being physically present, but available to oversee and supervise services via electronic means, which may allow for increased clients. Furthermore, the proposed rule changes may benefit clients in rural areas by providing new or additional access to behavior analysis services.
Board of Optometry Examiners	Optometry	The addition of a one-time continuing education requirement for controlled dangerous substances represents a direct cost to optometry examiners in Louisiana as the cost for registering for these continuing education courses ranges from \$12.00 to \$250.00. However, this will not result in an increased cost for licensed optometrists since the one time requirement for continuing education in prescribing controlled dangerous substances shall be considered among the credit hours required of the prescriber by the board and shall not be considered an additional requirement.

Promulgating Agency	Proposed Rule Title	Estimated Costs and/or Economic Benefits to Directly Affected Persons, Small Businesses or Nongovernmental Groups
Department of Health	<p align="center">Intermediate Care Facilities for Persons with Intellectual Disabilities Dedicated Program Funding Pool Payments</p>	<p>This proposed Rule adopts provisions governing reimbursement to non-state intermediate care facilities for individuals with intellectual disabilities (ICFs/IID) to allow one-time, lump sum payments from the dedicated program funding pool in compliance with Act 50 of the 2019 Regular Session of the Louisiana Legislature. Qualifying ICFs/IID will benefit from implementation of this proposed rule since it enables the facilities receiving enhanced reimbursement via these one-time, lump sum payments to continue to provide necessary services to Medicaid recipients. It is anticipated that implementation of this proposed Rule will increase Medicaid programmatic expenditures by approximately \$4,665,365 for FY 19-20.</p>
Department of Health	<p align="center">Intermediate Care Facilities for Persons with Intellectual Disabilities Reimbursement Methodology Direct Care Floor</p>	<p>This proposed Rule amends the provisions governing reimbursement for intermediate care facilities for persons with intellectual disabilities (ICFs/IID) in order to correct an invalid citation in the direct care floor language and ensure that these provisions are appropriately promulgated in the Louisiana Administrative Code (LAC). This is a technical change only to remove an obsolete LAC reference in the ICF/IID administrative Rule. It is anticipated that implementation of this proposed Rule will not result in costs to ICFs/IID in FY 19-20, FY 20-21 and FY 21-22, but will be beneficial to providers by providing clear and accurate reimbursement requirements.</p>
Department of Health	<p align="center">Medicaid Eligibility Modified Adjusted Gross Income Groups</p>	<p>In compliance with the Affordable Care Act of 2010, this proposed rule amends the provisions governing Medicaid eligibility for modified adjusted gross income (MAGI) groups and income factors in order to clarify and align these provisions with current Federal regulations. This proposed Rule makes revisions to the current Louisiana Administrative Code (LAC) language which will eliminate the need for the department to amend the LAC when MAGI-based group income information in the Code of Federal Regulations is amended. Recipients will be impacted by the implementation of this proposed Rule since temporary census income, which was previously disregarded in eligibility calculations, will now be counted. It is anticipated that implementation of this proposed rule will result in programmatic savings to the Medicaid Program of \$260,293 in FY 19-20 but will not result in costs or savings for FY 20-21 and FY 21-22.</p>
Department of Health	<p align="center">Medication Attendant Certified Licensing Standards</p>	<p>This proposed Rule amends the provisions governing the licensing of individuals certified by the department to administer medications to nursing facility residents, medication attendants certified (MACs), in order to revise and update the MAC training and certification requirements. Implementation of this proposed Rule will benefit nursing facilities that have expressed interest in utilizing MACs due to reported nursing workforce shortages. It is anticipated that implementation of this proposed Rule will not increase costs to nursing facilities in FY 19-20, FY 20-21 and FY 21-22, but will be beneficial by ensuring that the requirements for MAC licensure are clearly and accurately promulgated in <i>Louisiana Administrative Code</i>.</p>

Promulgating Agency	Proposed Rule Title	Estimated Costs and/or Economic Benefits to Directly Affected Persons, Small Businesses or Nongovernmental Groups
Department of Health	Pharmacy Benefits Management Program Dispense as Written Electronic Prescribing	This proposed Rule amends the provisions governing the Pharmacy Benefits Management Program in order to allow notation of the medical necessity of brand drugs using electronic prescriptions, to allow the state to pursue outcomes-based agreements with manufacturers, and to align the provisions with the current Medicaid State Plan. Recipients and providers will benefit from implementation of this proposed Rule as it has been demonstrated that electronic prescriptions are safer in preventing prescription drug errors from the misreading of handwriting, eliminate the ability to alter or manipulate the prescription, and speed up the workflow process. It is anticipated that implementation of this proposed Rule will not result in costs to the Pharmacy Program in FY 19-20, FY 20-21 and FY 21-22.
Department of Health	Treatment for Opioid Use Disorder in Opioid Treatment Programs	This proposed rule adopts provisions governing opioid use disorder (OUD) treatment in Opioid Treatment Programs, for recipients ages 18 and over, diagnosed with an OUD, in compliance with Section 1006(b) of the Substance Use Disorder Prevention that Promotes Opioid Recovery and Treatment (SUPPORT) for Patients and Communities Act, which amended Section 1902(a)(10)(A) of the Social Security Act to add medication-assisted treatment, including methadone treatment, as a mandatory Medicaid benefit. Implementation of this proposed Rule will be beneficial as it ensures that eligible recipients will have access to necessary medication-assisted OUD treatment and providers will receive Medicaid reimbursement for the provision of these services. It is anticipated that implementation of this proposed rule will result in programmatic costs to the Medicaid program of \$7,300,575 in FY 19-20, \$17,965,600 in FY 20-21 and \$18,684,224 in FY 21-22.
Department of Insurance	Regulation 98—Annual Financial Reporting	The proposed rule changes will benefit consumers by improving the surveillance of the financial condition of insurers under the purview of the LA Dept. of Insurance and will further the NAIC’s unified effort toward reciprocity among the states. Furthermore, the proposed rule changes may result in indeterminable additional costs for insurers to the extent they must increase their internal audit functions to comply with the new regulations.
Department of Insurance	Regulation 114—Claims Adjuster Pre-Licensing Education Program	The proposed rules may have a cost to Claims Adjuster Pre-Licensing Education Programs that choose to register with the LDI, as they would have to provide LDI application documents and a \$250 application fee and \$25 fee per program or course. However, in registering with the LDI, they will gain benefits by being easily accessible to Claims Adjusters seeking to participate in their education programs. The proposed regulation will also benefit Claims Adjusters by gaining easy access to a list of approved pre-licensing programs on the LDI website.

Promulgating Agency	Proposed Rule Title	Estimated Costs and/or Economic Benefits to Directly Affected Persons, Small Businesses or Nongovernmental Groups
Department of Public Safety and Corrections	Liquefied Petroleum Gas	The adoption of the proposed rule is anticipated to impact directly affected persons or non-governmental groups. It is anticipated that owners of manufactured homes may realize an indeterminate increase in costs to repair their homes in accordance with the adopted standards. The cost cannot be quantified due to the type and/or number of repairs that need to be made. Electricians, plumbers and other professionals may realize economic benefits arising from changes to repair standards for manufactured homes.
Department of Public Safety and Corrections	Medicaid Eligibility Medicare Savings Programs	This proposed rule amends the provisions governing financial eligibility in the Medical Assistance Program in order to disregard all resources of aged, blind and disabled individuals in eligibility determinations for all Medicare Savings Programs (MSP), as provided for under Section 1902(r)(2) of the Social Security Act. Individuals that meet the criteria for MSP coverage will benefit from implementation of this proposed Rule since none of their resources will be considered in the eligibility determination process. It is anticipated that implementation of this proposed rule will result in programmatic costs to the Medicaid program of \$171,123 in FY 19-20, \$1,075,352 in FY 20-21 and \$2,070,720 in FY 21-22.
Department of Revenue	Election of Pass-Through Entities	Affected persons are pass-through entities and their owners that make the election under this Rule. The overall state income tax liability to affected persons would be increased or decreased by an indeterminable amount. Additional paperwork will be required by the affected persons. However, the paperwork costs are not expected to be material.
Department of Revenue	Mandatory Electronic Filing of Remote Sellers Tax Returns and Payment of Related Sales and Use Tax	The commission does not have the information necessary to determine the additional costs to comply with this change, but these costs are expected to be minimal. To the extent non-compliance penalties are collected, affected taxpayers will incur penalty costs. The commission cannot estimate the additional penalty amount.
Department of Revenue	Policy Statements and Guidance	The proposed rule will not result in any cost to directly affected persons or non-governmental groups. However, they should benefit from improved accessibility to pertinent tax information and guidance.
Professional Engineering and Land Surveying Board	Practice of Engineering and Supervising Professionals	The proposed rule change will have no impact on costs and/or economic benefits to directly affected persons or non-governmental groups.
Board of Trustees of the Louisiana State Employees' Retirement System	Emergency Refund, Transferring Credit, Survivor's Benefits, and Disability Applications	The proposed rule change will not impact costs and/or economic benefits to directly affected persons or non-governmental groups.
Department of Wildlife and Fisheries	Threatened and Endangered Species	To the extent that individuals are engaged in unlawful activity related to the endangered or threatened species, these individuals have been, and will continue to be impacted. LDWF will consider this a Class Six Violation, which has the potential to carry a penalty of fines no less than \$900, but no more than \$950, imprisonment, or both. In addition to the aforementioned fines, persons engaged in the illegal taking of the Louisiana Pinesnake are liable for a civil restitution assessment of \$4,351.49; this is the civil restitution value for a federally listed threatened or endangered adult reptile.

Promulgating Agency	Proposed Rule Title	Estimated Costs and/or Economic Benefits to Directly Affected Persons, Small Businesses or Nongovernmental Groups
Workforce Commission	Interested Party Petitions	The proposed Rule is not anticipated to create costs or economic benefits for directly affected persons or nongovernmental groups.