

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 560** HLS 25RS 333

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 12, 2025	10:05 AM	Author: EGAN
Dept./Agy.: Health/Attorney General		Analyst: Anthony Shamis
Subject: Medical Assistance Programs Integrity Act		

MEDICAID RE SEE FISC NOTE GF RV
Provides relative to the Medical Assistance Programs Integrity Act

Present law provides for the prosecution and investigation of fraud related to medical assistance programs. To identify fraud and unlawful acts related to claims, to establish a procedure for pursuing certain claims, to provide for qui tam actions, and recovery related to fraudulent claims. Present law outlines the responsibilities of the Secretary of the Louisiana Department of Health (LDH) and the Attorney General (AG).

Proposed law clarifies specific duties to be carried out by the Secretary or the AG.

Proposed law updates language referring to the Secretary of LDH and AG a party to legal action as "state".

Proposed law adds additional clarification around fraud, legal action, recoveries, etc.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW					
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW					
Federal Funds	SEE BELOW					
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. Proposed law will have no expenditure impact on LDH or the AG's office related to the proposed amendments to the Medical Assistance Programs Integrity Law. Present law allows the Secretary of LDH or the Attorney General to institute an action involving Medicaid fraud, and that either party may control the action pursuant to an agreement. Proposed law requires the Secretary of LDH only to pursue an action pursuant to civil causes of action (RS 46:438.1) if the department referred the matter to the Attorney General and the Attorney General notified the Secretary in writing that he declined to proceed with the matter. Additionally, proposed law adds the requirement that a qui tam action may be dismissed only if the court and the Attorney General give written consent to the dismissal and reasons for consenting.

REVENUE EXPLANATION

Revenues are anticipated to increase under this measure by an indeterminable amount. Under a typical recovery of funds from damages/restitution, the state retains the state portion (state matching portion), and the state would return the federal portion (the federal government's share of a medical expenditure, or the Federal Medical Assistance Percentage). Information provided by LDH indicates under this measure the department would be able to retain a portion (or 10%) of the FMAP, resulting in an increase in recovery revenues retained. These Funds would be deposited into the Fraud Detection Fund under current law. The U.S. Office of Inspector General (OIG), in consultation with the U.S. Attorney General (AG), determines whether states have false claims acts that qualify for an incentive under section 1909 of the Social Security Act. States with qualifying laws receive a 10% increase in their share of any amounts recovered.

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Patrice Thomas
Deputy Fiscal Officer