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 DIGEST

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SB 24 Engrossed

2025 Regular Session

McMath

Present law establishes the Medical Assistance Programs Fraud Detection Fund (hereafter "fund") for the purpose of funding Medicaid fraud detection programs within the office of the attorney general and the La. Dept. of Health.

Present law requires all monies received by the state pursuant to a Medicaid-related civil award or settlement, except for the amount to make the medical assistance programs whole, to be deposited into the fund.

Proposed law expands the source of monies deposited into the fund to all monies received by any state entity related to a recovery, fine, or penalty pertaining to the medical assistance programs, including all monetary sanctions assessed against providers and managed care organizations, after accounting for any federal share, and excluding any third party liability and estate recoveries as defined by federal regulation.

Present law divides the monies in the fund evenly between the office of the attorney general's Medicaid fraud control unit and the La. Dept. of Health for purposes specified in present law.

Proposed law changes the allocation of funds to first fully fund the Medicaid fraud control unit within the office of the attorney general, then divides the remaining funds evenly between the office of the attorney general's Medicaid fraud control unit and the La. Dept. of Health's program integrity section.

Proposed law limits the fund balance to \$20 million and provides that any monies in excess of the \$20 million fund balance will be used to fund the medical assistance programs.

Present law provides that monies in the fund shall not be used to replace, displace, or supplant state general funds appropriated for the daily operation of the department or the medical assistance programs and limits the use of monies in the fund to certain purposes.

Proposed law provides that monies in the fund shall not be used to replace, displace, or supplant state general funds appropriated for the daily operation of the La. Dept. of Health, the office of the attorney general, or the medical assistance programs and requires that monies in the fund be used to fund the Medicaid Fraud Control Unit within the office of the attorney general and the Louisiana Department of Health program integrity section.

Effective July 1, 2025.

(Amends R.S. 46:440.1(B)-(E))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Finance to the original bill

1. Specify that monies received by a state entity are deposited into the fund after accounting for any federal share, and excluding any third party liability and estate recoveries as defined by federal regulation.
2. Add provision requiring that monies in the fund be used to fund the Medicaid Fraud Control Unit within the office of the attorney general and the Louisiana Department of Health program integrity section.

3. Change effective date from effective upon signature of the governor to July 1, 2026.
4. Make technical corrections.

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Appropriations to the engrossed bill:

1. Change effective date from July 1, 2026 to July 1, 2025.
2. Make a technical change.