

SENATE BILL NO. 24

BY SENATOR MCMATH

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AN ACT

To amend and reenact R.S. 46:440.1(B) through (E), relative to the Medical Assistance Programs Fraud Detection Fund; to provide for the dedication of certain revenues and for the deposit and use of monies in the fund; to limit the amount of monies in the fund; to provide for the allocation of monies from the fund; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 46:440.1(B) through (E) are hereby amended and reenacted to read as follows:

§440.1. Medical Assistance Programs Fraud Detection Fund

\* \* \*

B. After compliance with the requirements of Article VII, Section 9(B) of the Constitution of Louisiana relative to the Bond Security and Redemption Fund, and prior to monies being placed in the state general fund, all monies received by ~~the 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,** ~~pursuant to a civil award granted or settlement under the provisions of this Part, except for the amount to make the medical assistance programs whole,~~ shall be deposited into the fund.

C. ~~Fifty percent of the~~ **After allocation of an amount sufficient to fully fund the Medicaid fraud control unit within the office of the attorney general,** ~~the remaining~~ monies collected and deposited into **in** the fund shall be allocated **as**

1 **follows:**

2 **(1) Fifty percent** to the Medicaid Fraud Control Unit **fraud control unit**  
3 within the office of the attorney general.

4 ~~D.(2) Fifty percent of the monies collected and deposited into the fund shall~~  
5 ~~be allocated to the Louisiana Department of Health **program integrity section.** to~~  
6 ~~be used solely for Medicaid fraud detection and for the purposes specified in~~  
7 ~~Subsection E of this Section.~~

8 **D. The balance of the fund shall not exceed twenty million dollars. Any**  
9 **monies collected pursuant to Subsection B of this Section in excess of the twenty**  
10 **million dollar fund balance shall be used to fund the medical assistance**  
11 **programs.**

12 E. **The monies in the fund shall be used to fund the Medicaid fraud**  
13 **control unit within the office of the attorney general and the Louisiana**  
14 **Department of Health program integrity section.** The monies in the fund shall not  
15 be used to replace, displace, or supplant state general funds appropriated for the daily  
16 operation of the department **Louisiana Department of Health, the office of the**  
17 **attorney general,** or the medical assistance programs, and may be appropriated by  
18 the legislature for the following purposes only:

19 (1) ~~To pay costs or expenses incurred by the department or the attorney~~  
20 ~~general relative to an action instituted pursuant to this Part.~~

21 (2) ~~To enhance fraud and abuse detection and prevention activities related to~~  
22 ~~the medical assistance programs, including the activities of the task force on~~  
23 ~~coordination of Medicaid fraud detection and prevention initiatives established~~  
24 ~~pursuant to Subpart D-1 of this Part.~~

25 (3) ~~To pay rewards for information concerning fraud and abuse as provided~~  
26 ~~in Subpart B of this Part.~~

27 (4) ~~To provide a source of revenue for the Medical Assistance Program in the~~  
28 ~~event of a change in federal policy which results in an increase in state participation~~  
29 ~~or a shortfall in state general fund due to a decrease in the official forecast, as~~  
30 ~~defined in R.S. 39:2(30), during a fiscal year.~~

1           Section 2. This Act shall become effective on July 1, 2025; if vetoed by the governor  
2           and subsequently approved by the legislature, this Act shall become effective on the day  
3           following such approval by the legislature or July 1, 2025, whichever is later.

\_\_\_\_\_  
PRESIDENT OF THE SENATE

\_\_\_\_\_  
SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_