



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 181** HLS 26RS 229
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 2, 2026	10:51 AM	Author: BACALA
Dept./Agy.: Department of Revenue / Legislative Auditor		
Subject: Access to LDR Records for Purposes of Medicaid Audits		Analyst: Noah O'Dell

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 Provides for Medicaid fraud detection and prevention

Current law provides that records and files of the secretary of the Louisiana Department of Revenue (LDR) are confidential and privileged. No person shall divulge or disclose any information obtained from such records and files except as authorized in certain circumstances. Current law provides for the powers and duties of the legislative auditor (LLA).

Proposed law authorizes the secretary of LDR to disclose individual-level state income tax return data to LLA for the purpose of ensuring the accuracy of Medicaid eligibility determinations, detecting and preventing fraud in the Medicaid program, and fulfilling other applicable requirements relative to Medicaid program integrity. Proposed law authorizes the secretary of LDR to enter into a data-sharing agreement with LLA to facilitate such disclosures.

Effective upon governor's signature or lapse of time for gubernatorial action.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						
REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	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

EXPENDITURE EXPLANATION

To the extent the requirements of the proposed law can be met by providing the legislative auditor (LLA) access to existing state income tax return data, proposed law would increase \$742 SGF expenditures in FY 27 associated with fingerprinting and background checks required to access confidential taxpayer data. LLA indicates 14 auditors across its Financial Audit Services, Performance Audit Services, and Investigative Audit Services sections would require clearance to support the fraud detection efforts set forth in the bill at a cost of \$53 per employee (14 x \$53 = \$742 total). The Department of Revenue (LDR) is not anticipated to incur additional expenditures, if access to existing data systems is sufficient to meet the requirements of the proposed law.


LDR reports that to the extent proposed law may require the department to regularly prepare, compile, or report taxpayer data to LLA beyond providing access to existing systems, LDR anticipates an increase of \$216,606 SGR expenditures and two (2) T.O. positions beginning in FY 27. This estimate includes one-time expenditures for computer system modifications, form design, and testing, which are estimated to result in costs of \$25,680 in FY 27, as well as two additional Tax Specialists (salary and related benefits of \$95,463 each) with annual market rate adjustments beginning in FY 28. The Legislative Fiscal Office (LFO) cannot independently corroborate the workload necessity detailed by LDR. If actual workload requirements are lower, associated costs would decrease proportionally.

Note: Should the proposed data-sharing authority enhance the detection and prevention of fraud within the Medicaid program, expenditures within the Department of Health (LDH) may decrease. Any such savings are indeterminable and dependent on the efficacy of implementation and enforcement. Should savings materialize, this would lead to a decrease in both SGF and Federal Funds.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}		<input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}


Alan M. Boxberger
Legislative Fiscal Officer