

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 459** HLS 17RS 1088

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action: **w/ SEN COMM AMD**

Proposed Amd.:

Sub. Bill For.:

Date: June 6, 2017	2:29 PM	Author: BACALA
Dept./Agy.: Attorney General, LDH, and Revenue		Analyst: Willis Brewer
Subject: Medicaid fraud detection and prevention task force		

MEDICAID RE1 SEE FISC NOTE SD EX See Note Page 1 of 1
Creates and provides for a task force on coordination of Medicaid fraud detection and prevention initiatives.

Proposed law creates a six-member task force on coordination of Medicaid fraud detection and prevention initiatives within the Legislative Auditor to include the the governor or his designee, attorney general or designee, Legislative Auditor or designee, the inspector general or his designee, one House of Representative member appointed by Speaker, one Senate member appointed by President, and the secretary of the Louisiana Department of Health or his designee. Both appointees are required to have expertise in fraud detection and prevention. Proposed law includes four nonvoting advisory members one appointed by the secretary of Louisiana Dept. of Health (LDH), the secretary of Dept. of Revenue, and two by the governor (one represents the medical field and the other the dentistry field). Proposed law authorizes appropriation by the legislature of monies in the Medical Assistance Programs Fraud Detection Fund for activities of the task force. The task force is required to prepare and submit a report to the governor and the legislature concerning the status of Medicaid fraud detection and prevention initiatives and the status of efforts to coordinate such initiatives across state agencies and branches of state government before Jan. 1, 2018 and semiannually thereafter.

EXPENDITURES	2017-18	2018-19	2019-20	2020-21	2021-22	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW					
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						
REVENUES	2017-18	2018-19	2019-20	2020-21	2021-22	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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The proposed legislation is anticipated to have a minimal fiscal impact to the Louisiana Department of Health (LDH) and the Attorney General (AG). LDH's Medicaid Program Integrity section and the AG's office already coordinate with each other for medicaid fraud investigations through the Medicaid Fraud Control Unit (MFCU). It is anticipated these agencies may incur minimal administrative workload costs in order to comply with the task force objectives, but the LFO assumes these costs can be absorbed with existing funds. At this time, the LLA cannot estimate the resources that will be required to oversee the entire task force function. Any costs that may be incurred by these agencies will be paid out of the Medical Assistance Programs Fraud Detection Fund which is currently matched at 50% Federal Medical Assistance Percentage (FMAP). Any reallocation of these funds for expenses of the legislation's task force would result in the loss of the matching funds.

Proposed law provides for two Legislative board members (Speaker and President, or designee) from the legislature. Any meetings outside of the regular session will be subject to additional reimbursable costs by the legislators. The legislative member per diem is \$157 per day and the mileage reimbursement is \$0.54 per mile.

REVENUE EXPLANATION

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

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

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