

2016 First Extraordinary Session

HOUSE BILL NO. 89

BY REPRESENTATIVE STOKES

FUNDS/FUNDING: Provides relative to allocation and uses of monies dedicated to the Medical Assistance Programs Fraud Detection Fund (Item #7)

1 AN ACT

2 To amend and reenact R.S. 46:440.1(E)(4), and to enact R.S. 24:517.3(B) and R.S.
3 46:440.1(E)(5) and (F), relative to the Medical Assistance Programs Fraud Detection
4 Fund; to authorize certain uses of fund monies; to provide for reimbursement to the
5 legislative auditor from the Department of Health and Hospitals for certain audit
6 services; relative and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 24:517.3(B) is hereby reenacted to read as follows:

9 §517.3. Reimbursement for state audits

10 * * *

11 B. The legislative auditor shall be reimbursed by the Department of Health
12 and Hospitals for actual expenses incurred in connection with any fiscal,
13 performance, or investigative audit pertaining to the identification, cost containment,
14 and cost avoidance of fraud, waste, and abuse within the medical assistance program
15 of this state, as provided in R.S. 46:440.1.

16 Section 2. R.S. 46:440.1(E)(4) is hereby amended and reenacted and R.S.
17 46:440.1(E)(5) and (F) are hereby enacted to read as follows:

18 §440.1. Medical Assistance Programs Fraud Detection Fund

19 * * *

1 E. The monies in the fund shall not be used to replace, displace, or supplant
2 state general funds appropriated for the daily operation of the department or the
3 medical assistance programs and may be appropriated by the legislature for the
4 following purposes only:

5 * * *

6 (4) To perform any of the following functions with respect to Medicaid
7 managed care organizations as defined in Part XIII of this Chapter:

- 8 (a) Validation of claims data received by managed care organizations.
- 9 (b) Analysis of claim integrity units of managed care organizations.
- 10 (c) Review of actuarial assumptions and methods.

11 ~~(4)~~ (5) To provide a source of revenue for the Medical Assistance Program
12 in the event of a change in federal policy which results in an increase in state
13 participation or a shortfall in state general fund due to a decrease in the official
14 forecast, as defined in R.S. 39:2(30), during a fiscal year.

15 F. In accordance with the provisions of R.S. 24:517.3, the Department of
16 Health and Hospitals shall reimburse the legislative auditor for actual expenses
17 incurred in connection with any fiscal, performance, or investigative audit conducted
18 for a purpose specified in Subsection E of this Section.

19 Section 3. This Act shall become effective upon signature by the governor or, if not
20 signed by the governor, upon expiration of the time for bills to become law without signature
21 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
22 vetoed by the governor and subsequently approved by the legislature, this Act shall become
23 effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 89 Engrossed 2016 First Extraordinary Session Stokes

Abstract: Provides relative to uses of monies dedicated to the Medical Assistance Programs Fraud Detection Fund and for responsibility of the Dept. of Health and Hospitals (DHH) to reimburse the legislative auditor for certain audit functions.

Present law establishes the Medical Assistance Programs Fraud Detection Fund and authorizes purposes for which monies in the fund may be used. Proposed law retains present law.

Present law provides that the monies in the fund shall not be used to replace, displace, or supplant state general funds appropriated for the daily operation of DHH or the Medicaid program, and may be appropriated by the legislature only for certain enumerated purposes. Proposed law retains present law, and adds performance of any of the following functions with respect to Medicaid managed care organizations as authorized uses of fund monies:

- (1) Validation of claims data received by managed care organizations.
- (2) Analysis of claim integrity units of managed care organizations.
- (3) Review of actuarial assumptions and methods.

Proposed law requires DHH to reimburse the legislative auditor for actual expenses incurred in connection with any fiscal, performance, or investigative audit conducted for a purpose specified in present law and proposed law.

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

(Amends R.S. 46:440.1(E)(4); Adds R.S. 24:517.3(B) and R.S. 46:440.1(E)(5) and (F))

Summary of Amendments Adopted by House

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

1. Delete proposed law adding the legislative auditor as an entity which may utilize monies from the Medical Assistance Programs Fraud Detection Fund.
2. Add provisions requiring DHH to reimburse the legislative auditor for actual expenses incurred in connection with any fiscal, performance, or investigative audit conducted for a purpose specified in present law and proposed law.
3. Make technical changes.