

2017 Regular Session

HOUSE BILL NO. 459

BY REPRESENTATIVES BACALA AND HOFFMANN

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

MEDICAID: Creates and provides for a task force on coordination of Medicaid fraud detection and prevention initiatives

1 AN ACT

2 To amend and reenact R.S. 46:440.1(E)(2) and to enact Subpart D-1 of Part VI-A of Chapter
3 3 of Title 46 of the Louisiana Revised Statutes of 1950, to be comprised of R.S.
4 46:440.4 through 440.8, relative to Medicaid fraud detection and prevention; to
5 create a task force on coordination of Medicaid fraud detection and prevention
6 initiatives; to provide for the membership, purposes, and duties of the task force; to
7 authorize appropriation of monies in the Medical Assistance Programs Fraud
8 Detection Fund for activities of the task force; to provide for a termination date; and
9 to provide for related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 46:440.1(E)(2) and Subpart D-1 of Part VI-A of Chapter 3 of Title
12 46 of the Louisiana Revised Statutes of 1950, comprised of R.S. 46:440.4 through 440.8, are
13 hereby enacted to read as follows:

14 §440.1. Medical Assistance Programs Fraud Detection Fund

15 * * *

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

20 * * *

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

5 * * *

6 SUBPART D-1. COORDINATION OF FRAUD AND ABUSE

7 DETECTION AND PREVENTION INITIATIVES

8 §440.4. Legislative findings; purpose

9 A. The legislature hereby finds and declares all of the following:

10 (1) Cost containment in the medical assistance program operated pursuant
11 to Title XIX of the Social Security Act, referred to hereafter in this Subpart as
12 "Medicaid", is an urgent priority of this state.

13 (2) It is the policy of this state to combat and prevent fraud and abuse
14 committed by any healthcare provider participating in the Medicaid program and by
15 any other persons including Medicaid enrollees, and to negate the adverse effects of
16 Medicaid fraud and abuse on the fiscal integrity and public health of this state.

17 B. The purpose of this Subpart is to create an interagency task force to
18 coordinate existing Medicaid fraud detection and prevention efforts and to
19 recommend means for enhancing the efficacy of those efforts.

20 §440.5. Task force on coordination of Medicaid fraud detection and prevention
21 initiatives; creation; membership

22 A. There is hereby created within the office of the legislative auditor a task
23 force on coordination of Medicaid fraud detection and prevention initiatives, referred
24 to hereafter in this Subpart as the "task force".

25 B. The task force shall be composed of the following members:

26 (1) The attorney general or his designee.

27 (2) One member appointed by the attorney general who has expertise in
28 fraud detection and prevention.

29 (3) The legislative auditor or his designee.

1 (4) One member appointed by the legislative auditor who has expertise in
2 fraud detection and prevention.

3 (5) One member of the House of Representatives appointed by the speaker
4 of the House of Representatives.

5 (6) One member of the Senate appointed by the president of the Senate.

6 C. The task force shall include the following nonvoting advisory members
7 who, upon request of the task force chairman, shall cooperate with and assist in the
8 efforts of the task force:

9 (1) One advisory member appointed by the secretary of the Louisiana
10 Department of Health.

11 (2) One advisory member appointed by the secretary of the Department of
12 Revenue.

13 (3) One advisory member appointed by the governor who represents the
14 medical field.

15 (4) One advisory member appointed by the governor who represents the
16 dental field.

17 D. At the first meeting of the task force, the members of the task force shall
18 select one eligible member to serve as chairman. Any member except a legislator
19 shall be eligible to serve as chairman of the task force.

20 E.(1) The task force shall adopt rules of procedure and any other policies as
21 may be necessary to facilitate the work of the group.

22 (2) The task force may form subcommittees for examination of special topics
23 and issues within the overall subject matter of Medicaid fraud detection and
24 prevention.

25 §440.6. Purposes of the task force

26 The purposes of the task force shall include the following:

27 (1) To study and evaluate on an ongoing basis the laws, rules, policies, and
28 processes by which the state implements Medicaid fraud detection and prevention
29 efforts.

1 (2) To identify and recommend opportunities for improving coordination of
2 Medicaid fraud detection and prevention initiatives across state agencies and
3 branches of state government.

4 (3) To identify any systemic or systemwide issues of concern within the
5 Medicaid program with respect to fraud, waste, and abuse.

6 (4) To develop recommendations for policies and procedures by which to
7 facilitate and implement all of the following:

8 (a) Random sampling of Medicaid cases to be selected for verification of
9 enrollee eligibility.

10 (b) Improvements in the Medicaid program integrity functions of the
11 Louisiana Department of Health.

12 (c)(i) Optimization of data mining among state-owned data sets for purposes
13 of Medicaid fraud detection and prevention.

14 (ii) For purposes of this Subparagraph, "data mining" means the practice of
15 electronically sorting data through statistical modeling, intelligent technologies, and
16 other methods in order to uncover patterns, relationships, and other indicators of
17 actual or potential Medicaid fraud, waste, or abuse.

18 (5) To make reports to the governor and to the legislature in accordance with
19 R.S. 46:440.7.

20 §440.7. Reporting

21 A. On or before January 1, 2018, and semiannually thereafter, the task force
22 shall prepare and submit to the governor and the legislature a report concerning the
23 status of Medicaid fraud detection and prevention initiatives and the status of efforts
24 to coordinate such initiatives across state agencies and branches of state government.

25 B. At minimum, the report required by this Section shall include
26 information, analysis, and commentary related to each purpose of the task force
27 enumerated in R.S. 46:440.6, and may include any other information as the task
28 force deems necessary or appropriate.

1 §440.8. Termination

2 The provisions of this Subpart shall terminate on August 1, 2018.

3 Section 2. The attorney general shall take such actions as are necessary to ensure that
4 the task force on coordination of Medicaid fraud detection and prevention initiatives created
5 by the provisions of Section 1 of this Act convenes on or before September 1, 2017.

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 459 Reengrossed

2017 Regular Session

Bacala

Abstract: Creates a task force on coordination of Medicaid fraud detection and prevention initiatives and provides for purposes and duties of the task force.

Proposed law creates a six-member task force on coordination of Medicaid fraud detection and prevention initiatives (hereafter, the "task force") within the office of the legislative auditor.

Proposed law authorizes appropriation by the legislature of monies in the Medical Assistance Programs Fraud Detection Fund for activities of the task force.

Proposed law provides that the task force shall be composed of the following members:

- (1) The attorney general or his designee.
- (2) One member appointed by the attorney general who has expertise in fraud detection and prevention.
- (3) The legislative auditor or his designee.
- (4) One member appointed by the legislative auditor who has expertise in fraud detection and prevention.
- (5) One member of the House of Representatives appointed by the speaker of the House of Representatives.
- (6) One member of the Senate appointed by the president of the Senate.

Proposed law provides that the task force shall include the following nonvoting advisory members, and provides that these advisory members shall cooperate with and assist in the efforts of the task force upon request of the task force chairman:

- (1) One advisory member appointed by the secretary of the La. Department of Health.
- (2) One advisory member appointed by the secretary of the Department of Revenue.
- (3) One advisory member appointed by the governor who represents the medical field.
- (4) One advisory member appointed by the governor who represents the dental field.

Proposed law provides that at its first meeting, the task force shall select one eligible member to serve as chairman. Provides that any member except a legislator shall be eligible to serve as chairman of the task force.

Proposed law requires the task force to adopt rules of procedure and any other policies as may be necessary to facilitate the work of the group. Authorizes the task force to form subcommittees for examination of special topics and issues within the overall subject matter of Medicaid fraud detection and prevention.

Proposed law provides that the purposes of the task force shall include the following:

- (1) To study and evaluate on an ongoing basis the laws, rules, policies, and processes by which the state implements Medicaid fraud detection and prevention efforts.
- (2) To identify and recommend opportunities for improving coordination of Medicaid fraud detection and prevention initiatives across state agencies and branches of state government.
- (3) To identify any systemic or systemwide issues of concern within the Medicaid program with respect to fraud, waste, and abuse.
- (4) To develop recommendations for policies and procedures by which to facilitate and implement all of the following:
 - (a) Random sampling of Medicaid cases to be selected for verification of enrollee eligibility.
 - (b) Improvements in the Medicaid program integrity functions of the La. Department of Health.
 - (c) Optimization of data mining among state-owned data sets for purposes of Medicaid fraud detection and prevention.
- (5) To make reports to the governor and to the legislature as provided in proposed law.

Proposed law provides that or before Jan. 1, 2018, and semiannually thereafter, the task force shall prepare and submit to the governor and the legislature a report 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. Provides that the report shall include information, analysis, and commentary related to each purpose of the task force enumerated in proposed law, and may include any other information as the task force deems necessary or appropriate.

Proposed law requires the attorney general to convene the task force on or before Sept. 1, 2017.

Proposed law creating and providing for the task force terminates on Aug. 1, 2018.

(Amends R.S. 46:440.1(E)(2); Adds R.S. 46:440.4-440.8)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Health and Welfare to the original bill:

1. Revise proposed law to create the task force within the office of the La. legislative auditor rather than within the office of the La. attorney general.

The House Floor Amendments to the engrossed bill:

1. Add the following nonvoting advisory members to the task force created by proposed law:
 - (a) One advisory member appointed by the governor who represents the medical field.
 - (b) One advisory member appointed by the governor who represents the dental field.