
DIGEST

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HB 2 Reengrossed

2018 First Extraordinary Session

Bacala

Abstract: Provides for program integrity in Medicaid eligibility determination functions, Medicaid fraud detection and prevention, and interagency data sharing in furtherance of those purposes.

Proposed law presents legislative findings relative to fraud, waste, and abuse in the Medicaid program, and concerning recommendations of the La. task force on coordination of Medicaid fraud detection and prevention initiatives.

Proposed law provides that its purpose is to enhance the overall integrity of the La. Medicaid program through necessary reforms to the program's eligibility determination functions.

Proposed law requires the La. Department of Health (LDH) to utilize state income tax return data in the process of determining all of the following:

- (1) A Medicaid applicant's initial eligibility for Medicaid benefits.
- (2) A Medicaid enrollee's continued eligibility for Medicaid benefits at the time of his eligibility redetermination.

Proposed law requires that LDH utilize state income tax return data including but not limited to income and dependent information in its Medicaid eligibility determination process.

Proposed law requires the secretary of LDH to enter into any memorandum of understanding, cooperative endeavor, or other type of agreement as may be necessary to facilitate mutual sharing of data with the La. Department of Revenue for the purposes set forth in proposed law.

With respect to the income verification function of the Medicaid eligibility determination process, proposed law requires LDH to ensure that the electronically reported income of any applicant or enrollee approved for initial or continuing Medicaid eligibility does not exceed his self-attested income by more than 10%.

Present law, R.S. 47:1508(A), provides that the records and files of the secretary of the La. Department of Revenue are confidential and privileged, and that no person shall divulge or disclose any information obtained from such records and files except as authorized by present law.

Proposed law authorizes the secretary of the La. Department of Revenue to disclose individual-level

state income tax return data to the legislative auditor or the secretary of LDH for the following purposes exclusively:

- (1) Ensuring accuracy of Medicaid eligibility determinations.
- (2) Detecting and preventing fraud in the Medicaid program.
- (3) Fulfilling the requirements of present law relative to Medicaid program integrity, R.S. 46:437.1 et seq.

Proposed law authorizes the secretary of the La. Department of Revenue to enter into any memorandum of understanding, cooperative endeavor, or other type of agreement as may be necessary to facilitate sharing of data with the legislative auditor and the secretary of LDH, respectively, for the purposes set forth in proposed law.

Proposed law requires that when the legislative auditor examines the records and files of the La. Department of Revenue for the purposes of ensuring the accuracy of Medicaid eligibility determinations, exemptions, credits, and rebates, the secretary shall assist the legislative auditor by providing supporting documentation from the taxpayer.

Present law, R.S. 24:513, provides for the powers and duties of the legislative auditor.

Proposed law retains present law and adds thereto an authorization for the legislative auditor to access individual-level state income tax return data, in accordance with proposed law, for the following purposes:

- (1) Ensuring accuracy of Medicaid eligibility determinations.
- (2) Detecting and preventing fraud in the Medicaid program.
- (3) Fulfilling all other applicable requirements of present law relative to Medicaid program integrity, R.S. 46:437.1 et seq.

Present law, R.S. 36:254, provides for the powers and duties of the secretary of LDH.

Proposed law retains present law and adds thereto the following duties:

- (1) To take such actions as are necessary to ensure accuracy in Medicaid eligibility determinations.
- (2) To work cooperatively with other state departments and officials, including but not limited to the attorney general, the legislative auditor, and the La. Department of Revenue, in detecting and preventing Medicaid fraud and fulfilling all other applicable requirements of present law relative to Medicaid program integrity, R.S. 46:437.1 et seq.

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

(Adds R.S. 24:513(P), R.S. 36:254(A)(6)(c) and (d), R.S. 46:440.9.1-440.9.4, and R.S. 47:1508(B)(42) and (D))

Summary of Amendments Adopted by House

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

1. Requires that when the legislative auditor examines the records and files of the secretary of the Dept. of Revenue for the purposes of ensuring the accuracy of Medicaid eligibility determinations, exemptions, credits, and rebates, the secretary shall assist the legislative auditor by providing supporting documentation from the taxpayer.

The House Floor Amendments to the engrossed bill:

1. Correct the order in which the terms "electronically reported" and "self-attested" appear in proposed law relative to income verification.
2. Make technical changes.