

2021 Regular Session

HOUSE BILL NO. 698 (Substitute for House Bill No. 186 by Representative Bacala)

BY REPRESENTATIVE BACALA

STATE AGENCIES: Provides for state agency partnerships to improve Medicaid administration and program integrity

1 AN ACT

2 To enact R.S. 36:254(D)(2)(e) and (f) and 460 and R.S. 46:236.1.1(17) and 236.9.1, relative

3 to interagency agreements between departments of the executive branch of state

4 government concerning certain public assistance programs; to provide relative to

5 administration by the Louisiana Department of Health of the medical assistance

6 program of this state known as Medicaid; to provide relative to administration by the

7 Department of Children and Family Services of the child support enforcement

8 program of this state; to require the Louisiana Department of Health and the

9 Department of Revenue to enter into agreements to carry out certain Medicaid

10 program integrity functions; to require the Louisiana Department of Health and the

11 Department of Children and Family Services to enter into agreements concerning the

12 use of certain cash medical support payments to offset Medicaid costs; to provide

13 specifications for the content of such interagency agreements; to provide for

14 incentive payments from the Louisiana Department of Health to the Department of

15 Children and Family Services for certain purposes; to provide relative to interagency

16 data sharing; to provide for reporting to the legislature; to provide for construction

17 of certain laws; and to provide for related matters.

18 Be it enacted by the Legislature of Louisiana:

19 Section 1. R.S. 36:254(D)(2)(e) and (f) and 460 are hereby enacted to read as

20 follows:

1 §254. Powers and duties of the secretary of the Louisiana Department of Health

2 \* \* \*

3 D.

4 \* \* \*

5 (2) Except as otherwise limited by a specific provision of law, the secretary  
6 is authorized to perform all of the following relative to or concerning the Medical  
7 Assistance Program:

8 \* \* \*

9 (e) Cause the department to enter into memoranda of understanding,  
10 cooperative endeavors, or other type of agreements with the Department of Revenue  
11 for the program integrity functions provided for in R.S. 36:460.

12 (f) Cause the department to enter into memoranda of understanding,  
13 cooperative endeavors, or other type of agreements with the Department of Children  
14 and Family Services for the interagency incentive program provided for in R.S.  
15 46:236.9.1.

16 \* \* \*

17 §460. Department of Revenue; interagency agreements for Medicaid program  
18 integrity; reporting

19 A. Unless prohibited by regulations or policies of the Centers for Medicare  
20 and Medicaid Services or any other federal regulation or law, the Department of  
21 Revenue and the Louisiana Department of Health shall annually enter into a  
22 memorandum of understanding, cooperative endeavor, or other type of agreement  
23 for Medicaid program integrity functions that conform with the requirements and  
24 specifications provided in this Section.

25 B. The agreements provided for in this Section shall require the Louisiana  
26 Department of Health to furnish to the Department of Revenue identifying  
27 information of all of the following persons:

28 (1) Each person under the age of nineteen years who is enrolled in the  
29 Medicaid program of this state.



1           A. The Department of Children and Family Services and the Louisiana  
2           Department of Health shall enter into a memorandum of understanding, cooperative  
3           endeavor, or other type of agreement as may be necessary to implement a program  
4           wherein payments collected under the authority of this Subpart are used to offset  
5           state and federal Medicaid costs. The agreement may be for any term that the  
6           secretaries of the two departments mutually determine, and, at its expiration, shall  
7           be renewed inclusive of any revisions that the secretaries of the two departments  
8           mutually determine. The program provided for in the agreement shall conform with  
9           the requirements and specifications provided in this Section.

10           B.(1) With respect to cash medical support payments collected pursuant to  
11           R.S. 46:236.1.2(L) from any noncustodial parent of a child or children enrolled in  
12           the state Medicaid program, the Department of Children and Family Services shall  
13           determine the maximum amount of such payments that may be remitted to the  
14           Louisiana Department of Health for the purpose of offsetting the state and federal  
15           share of Medicaid program costs for all Medicaid-enrolled children of the  
16           noncustodial parent.

17           (2) Each agreement required by Subsection A of this Section shall provide  
18           for remittance by the Department of Children and Family Services to the Louisiana  
19           Department of Health, in connection with the case of each noncustodial parent of a  
20           child or children enrolled in the state Medicaid program, of either of the following  
21           amounts:

22           (a) The maximum amount of cash medical support payments as determined  
23           in accordance with Paragraph (1) of this Subsection if the amount is less than the  
24           state and federal share of Medicaid program costs for all Medicaid-enrolled children  
25           of the noncustodial parent.

26           (b) An amount equal to the state and federal share of Medicaid program costs  
27           for all Medicaid-enrolled children of the noncustodial parent.

28           C.(1) Each agreement required by Subsection A of this Section shall provide  
29           for an incentive payment to be made at least annually by the Louisiana Department

1 of Health to the Department of Children and Family Services in an amount that does  
 2 not exceed fifteen percent of the total of remittances made under the prior agreement,  
 3 in accordance with Paragraph (B)(2) of this Section, to offset Medicaid costs.

4 (2) Any payment by the Louisiana Department of Health to the Department  
 5 of Children and Family Services made pursuant to Paragraph (1) of this Subsection  
 6 shall be made from the federal share of the amount collected in accordance with 42  
 7 U.S.C. 1396b(p)(1) and 42 CFR 433.153.

8 D. Nothing in this Section shall be construed to require or authorize a  
 9 reduction in child support to any child. The Department of Children and Family  
 10 Services shall implement the provisions of this Section in a manner that does not  
 11 diminish the support available to any child through the provisions of this Subpart.

---

#### 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 698 Original

2021 Regular Session

Bacala

**Abstract:** Requires interagency agreements between the La. Dept. of Health and the Dept. of Revenue, and between the La. Dept. of Health and the Dept. of Children and Family Services, relative to administration of the Medicaid and child support enforcement programs.

Present law provides for powers and duties of the secretary of the La. Dept. of Health (LDH). Proposed law retains present law and adds thereto requirements that the secretary of LDH cause the department to enter into the agreements with the Dept. of Revenue (LDR) and the Dept. of Children and Family Services (DCFS) provided for in proposed law.

Proposed law requires LDR and LDH to enter into memoranda of understanding, cooperative endeavors, or other types of agreements for Medicaid program integrity functions that conform with the requirements of proposed law unless prohibited by regulations or policies of the federal Medicaid agency or any other federal regulation or law.

Proposed law stipulates that the agreements between LDR and LDH shall require LDH to furnish to LDR identifying information of all of the following persons:

- (1) Each person under the age of 19 years who is enrolled in the Medicaid program of this state.
- (2) Each adult who is enrolled in the Medicaid program of this state and whose Medicaid application indicates that any child or children under the age of 19 years live with him.

Proposed law requires LDR to examine income tax returns to identify any Medicaid-enrolled child who is claimed as a dependent by someone other than an adult whose home the child

lives in according to the child's Medicaid application. Requires further that, unless prohibited by the Internal Revenue Code or any other federal law or regulation, LDR shall identify to LDH each child so identified.

Proposed law provides that each agreement that LDR and LDH enter into pursuant to proposed law shall set forth standards and protocols for the transfer of data required by proposed law.

Proposed law requires that on or before Jan. 1, 2022, and annually thereafter, LDR shall report to the legislature the number of children enrolled in Medicaid who are claimed as dependents on tax returns by persons other than an adult whose home the child lives in according to the child's Medicaid application. Requires that the report consist of statistical information exclusively and contain no identifying information of any individual.

Proposed law requires DCFS and LDH to enter into a memorandum of understanding, cooperative endeavor, or other type of agreement as may be necessary to implement a program wherein cash medical support payments collected under the authority of proposed law are used to offset state and federal Medicaid costs. Provides that the agreement may be for any term that the secretaries of the two departments mutually determine, and, at its expiration, shall be renewed inclusive of any revisions that the secretaries of the two departments mutually determine. Stipulates that the program provided for in the agreement shall conform with the requirements and specifications provided in proposed law.

Proposed law provides that, with respect to cash medical support payments collected pursuant to present law from any noncustodial parent of a child or children enrolled in the state Medicaid program, DCFS shall determine the maximum amount of such payments that may be remitted to LDH for the purpose of offsetting the state and federal share of Medicaid program costs for all Medicaid-enrolled children of the noncustodial parent.

Proposed law provides that the agreements between DCFS and LDH required by proposed law shall provide for remittance by DCFS to LDH, in connection with the case of each noncustodial parent of a child or children enrolled in the state Medicaid program, of either of the following amounts:

- (1) The maximum amount of cash medical support payments determined in accordance with proposed law if the amount is less than the state and federal share of Medicaid program costs for all Medicaid-enrolled children of the noncustodial parent.
- (2) An amount equal to the state and federal share of Medicaid program costs for all Medicaid-enrolled children of the noncustodial parent.

Proposed law provides that each agreement between DCFS and LDH required by proposed law shall provide for incentive payments by LDH to DCFS in an amount that does not exceed 15% of the total of remittances made under the prior agreement to offset Medicaid costs.

Proposed law stipulates that any payment by LDH to DCFS remitted pursuant to proposed law shall be made from the federal share of the amount collected in accordance with federal law and regulations (42 U.S.C. 1396b(p)(1) and 42 CFR 433.153).

Proposed law provides that nothing therein shall be construed to require or authorize a reduction in child support to any child. Requires DCFS to implement the provisions of proposed law in a manner that does not diminish the support available to any child through the provisions of present law.

(Adds R.S. 36:254(D)(2)(e) and (f) and 460 and R.S. 46:236.1.1(17) and 236.9.1)