

2025 Regular Session

SENATE BILL NO. 130

BY SENATOR CLOUD

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

MEDICAID. Provides relative to Medicaid. (gov sig)

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AN ACT

To enact Subpart F of Part VI-A of Chapter 3 of Title 46 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 46:440.17, relative to Medicaid; to provide for Medicaid program integrity measures; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. Subpart F of Part VI-A of Chapter 3 of Title 46 of the Louisiana Revised Statutes of 1950, comprised of R.S. 46:440.17, is hereby enacted to read as follows:

SUBPART F. MEDICAID PROGRAM INTEGRITY MEASURES

§440.17. Medicaid program integrity measures

A. The legislature hereby finds and declares the following:

(1) It is the policy of this state to protect public benefits for those who are truly needy and eligible for such benefits and to prevent waste and fraud from limiting available resources and increasing dependency unnecessarily.

(2) The Medicaid program provides support to needy households and persons.

(3) It is the intent of this Subpart to institute a system of modern and

1 comprehensive interagency data cross-checks and implement other program
2 integrity measures available to ensure ongoing eligibility for Medicaid and to
3 prevent ex parte renewals.

4 B. The Louisiana Department of Health shall adopt the following
5 measures to verify ongoing eligibility for Medicaid:

6 (1) The Louisiana Department of Health shall not accept eligibility
7 determinations for Medicaid from any exchange established under 42 U.S.C.
8 18041(c). The department may accept assessments from an exchange established
9 under 42 U.S.C. 18041(c), but shall independently verify eligibility and make
10 eligibility determinations.

11 (2) Neither the Louisiana Department of Health nor any state agency
12 that operates as a part of Medicaid shall determine or renew eligibility by ex
13 parte renewal, including but not limited to any waiver granted under Section
14 1902(e)(14)(A) of the Social Security Act, unless expressly required by federal
15 law. No later than January 1, 2026, the Louisiana Department of Health shall
16 withdraw any waivers submitted to the federal government to authorize the
17 department to determine or renew eligibility by ex parte renewal.

18 (3) Unless required by federal law, the Louisiana Department of Health
19 shall not accept self-attestation of income, residency, age, household
20 composition, caretaker or relative status, or receipt of other coverage without
21 verification prior to enrollment. The department shall not request authority to
22 waive or decline to periodically check any available income-related data sources
23 to verify eligibility for Medicaid.

24 (4) The Louisiana Department of Health shall use an enhanced income
25 verification platform to verify recipient eligibility. The department may procure
26 and enter into a contract for the platform. The platform shall meet all of the
27 following criteria:

28 (a) Use automated, real-time data matching and analytics to detect
29 unreported or under reported income.

1 **(b) Incorporate consumer-permissioned access to bank transactions to**
2 **verify income sources.**

3 **(c) Consolidate overlapping data to prevent double counting of financial**
4 **records.**

5 **(5) The Louisiana Department of Health shall enter into the following**
6 **data matching agreements to cross-check households enrolled in Medicaid with**
7 **other state data sets:**

8 **(a) On at least a monthly basis, the Louisiana Department of Health shall**
9 **receive and review information from the state registrar of vital records**
10 **concerning individuals enrolled in Medicaid that indicates a change in**
11 **circumstances that may affect eligibility for Medicaid, including but not limited**
12 **to death records.**

13 **(b) On at least a quarterly basis, the Louisiana Department of Health**
14 **shall receive and review information from the Louisiana Workforce**
15 **Commission concerning individuals enrolled in Medicaid that indicates a**
16 **change in circumstances that may affect eligibility for Medicaid, including but**
17 **not limited to changes in employment or wages.**

18 **(c) On at least a monthly basis, the Louisiana Department of Health shall**
19 **receive and review information from the Department of Children and Family**
20 **Services concerning individuals enrolled in Medicaid that indicates a change in**
21 **circumstances that may affect eligibility, including but not limited to potential**
22 **changes in residency as identified by out-of-state electronic benefit transfer**
23 **(EBT) transactions.**

24 **(d) On at least a quarterly basis, the Louisiana Department of Health**
25 **shall receive and review information from the Louisiana Department of**
26 **Revenue concerning individuals enrolled in Medicaid that indicates a change in**
27 **circumstances that may affect eligibility for Medicaid, including but not limited**
28 **to potential changes in income, wages, or residency as identified by tax records.**

29 **(e) On at least a monthly basis, the Louisiana Department of Health shall**

1 receive and review information from the Department of Public Safety and
2 Corrections concerning individuals enrolled in Medicaid that indicates a change
3 in circumstances that may affect eligibility, including but not limited to
4 incarceration status.

5 (f) On at least a semimonthly basis, the Louisiana Department of Health
6 shall receive and review information from the Louisiana Workforce
7 Commission concerning individuals enrolled in Medicaid that indicate a change
8 in circumstances that may affect eligibility for Medicaid, including but not
9 limited to potential changes in employment, income, assets, or disability status.

10 (g) On at least a monthly basis, the Louisiana Department of Health shall
11 receive and review information from the Louisiana Lottery and the Louisiana
12 Gaming Control Board to identify individuals with lottery or gambling
13 winnings of three thousand dollars or more, and close the case for ineligible
14 individuals upon verification of the winnings. Individuals who have failed to
15 disclose such a winning and are identified pursuant to this Subsection shall be
16 presumed to have committed an intentional program violation.

17 (6) On at least a monthly basis, the Louisiana Department of Health
18 shall, to assess continued eligibility and act on findings, review and act on the
19 following data from federal sources:

20 (a) Earned income information, death register information,
21 incarceration records, supplemental security income information, beneficiary
22 records, earnings information, and pension information maintained by the
23 United States Social Security Administration.

24 (b) Income and employment information maintained in the national
25 directory of new hires database and child support enforcement data maintained
26 by the United States Department of Health and Human Services.

27 (c) Payment and earnings information maintained by the United States
28 Department of Housing and Urban Development.

29 (d) National fleeing felon information maintained by the United States

1 **Federal Bureau of Investigation.**

2 **(7) On at least a quarterly basis, the Louisiana Department of Health**
3 **shall make available to the public on its website, data from findings of**
4 **noncompliance and fraud investigations in Medicaid for the following**
5 **aggregate, nonconfidential, and nonpersonally identifying information:**

6 **(a) The number of Medicaid cases investigated for intentional program**
7 **violations or fraud.**

8 **(b) Total number of Medicaid cases referred to the attorney general's**
9 **office for prosecution.**

10 **(c) Improper payments and expenditures.**

11 **(d) Monies recovered.**

12 **(e) Aggregate data concerning improper payments and ineligible**
13 **recipients as a percentage of those investigated and reviewed.**

14 **C. For purposes of Medicaid eligibility, income shall include all of the**
15 **following:**

16 **(1) Wages, salaries, and tips, including gig economy earnings.**

17 **(2) Unemployment compensation and Social Security benefits.**

18 **(3) Supplemental Security Income (SSI) and cash assistance programs.**

19 **(4) Rental income, royalties, child support, alimony, and trust**
20 **distributions.**

21 **(5) Income identified and verified through consumer-permissioned direct**
22 **access to deposit account transaction data.**

23 **(6) Other taxable and non-taxable income sources, as determined by the**
24 **secretary of the Louisiana Department of Health.**

25 Section 2. This Act shall become effective upon signature by the governor or, if not
26 signed by the governor, upon expiration of the time for bills to become law without signature
27 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
28 vetoed by the governor and subsequently approved by the legislature, this Act shall become
29 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Senate Legislative Services. The keyword, summary, 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)]

DIGEST

SB 130 Original 2025 Regular Session Cloud

Proposed law provides legislative intent regarding the integrity of the Medicaid program.

Proposed law requires the La. Dept. of Health to implement certain program integrity measures to verify ongoing Medicaid eligibility, including checking information provided by state and federal agencies.

Proposed law requires the La. Dept. of Health to use an enhanced verification platform to verify recipient eligibility.

Proposed law prohibits the La. Dept. of Health from accepting eligibility from certain exchanges established by federal law, utilizing ex parte renewals, or accepting self-attestation of eligibility information.

Proposed law requires the La. Dept. of Health to make certain noncompliance and fraud information available to the public on its website.

Proposed law defines income for the purposes of determining Medicaid eligibility.

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

(Adds R.S. 46:440.17)