

2026 Regular Session

HOUSE BILL NO. 786

BY REPRESENTATIVE EGAN

MEDICAID MANAGED CARE: Prohibits certain processes used in healthcare provider claim payments

1 AN ACT

2 To amend and reenact R.S. 46:460.75(C) through (E) and to enact R.S. 46:460.75(F),
3 relative to the state medical assistance program; to provide for provider claim
4 payments; to provide for definitions; to prohibit the use of extrapolation; and to
5 provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 46:460.75 (C) through (E) are hereby amended and reenacted and
8 R.S. 46:460.75(F) is hereby enacted to read as follows:

9 §460.75. Provider claim payment and information protection

10 * * *

11 C.(1) For the purposes of this Section, "extrapolation" means a mathematical
12 process or technique used by a managed care organization in the audit of a healthcare
13 provider to estimate audit results or findings for a larger batch or group of claims not
14 reviewed by the managed care organization.

15 (2) A managed care organization shall be strictly prohibited from using
16 extrapolation to complete an audit of a healthcare provider. Any additional payment
17 due to a healthcare provider or any refund or recoupment due to the managed care
18 organization shall be based on the actual overpayment or underpayment and shall not
19 be based on extrapolation.

1 (3) Nothing in this Subsection shall be interpreted or construed to prevent or
2 otherwise prohibit the department or the Louisiana Department of Justice of using
3 extrapolation to complete an audit of a healthcare provider pursuant to existing state
4 and federal law and regulation.

5 ~~E. D.~~ The provisions of this Section shall not be waived by contract, and any
6 contractual clause in conflict with the provisions of this Section or that purports to
7 waive any requirements of this Section is void.

8 ~~D. E.~~ If the managed care organization, its contracted vendor, or agent
9 violates any provision of this Section, the department shall impose penalties on the
10 managed care organization in accordance with contract provisions or rules and
11 regulations promulgated pursuant to the Administrative Procedure Act, except that
12 penalties shall be imposed without the necessity of the department having to issue
13 any prior notice of corrective action.

14 ~~E. F.~~ As used in this Section, "electronic funds transfer" means an electronic
15 funds transfer through the federal Health Insurance Portability and Accountability
16 Act of 1996, P.L. 104-191, standard automated clearinghouse network.

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 786 Reengrossed 2026 Regular Session Egan

Abstract: Provides for the prohibited use of certain processes for healthcare provider payment claims.

Present law provides that the provisions of the present law shall not be waived by contract, and any contractual clause in conflict with the provisions of the present law or purports to waive any requirements of the present law is void.

Proposed law amends present law, defines extrapolation, and strictly prohibits extrapolation use by healthcare providers to complete audits and audit estimates.

Proposed law makes technical changes.

(Amends R.S. 46:460.75(C)-(E); Adds R.S. 46:460.75(F))

Summary of Amendments Adopted by House

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

1. Further clarify the meaning of extrapolation as it relates to healthcare providers and existing state and federal law.