LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 1157** HLS 16RS 3339
Bill Text Version: **REENGROSSED**
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.: HB 761

Date: May 24, 2016 11:02 AM
Author: STOKES
Dept./Agy.: DHH/Medicaid
Subject: Medicaid provider claims review process
Analyst: Willis Brewer

MEDICAID RE SEE FISC NOTE GF EX

Provides relative to the Medicaid provider claims review process

Proposed law retains present law and stipulates that the administrative rules relative to the claim review process promulgated pursuant to present law shall provide procedures to ensure that providers receive or retain the appropriate reimbursement amount for claims in which the department determines that services delivered have been improperly billed but were reasonable and necessary.

Proposed law the department shall ensure that the healthcare provider is afforded additional time to re-file a corrected claim for that portion of the amount recouped to the extent permitted by federal law.

EXPENDITURES	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**5 -YEAR TOTAL**
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	$0	$0	$0	$0	$0	**$0**
Ded./Other	$0	$0	$0	$0	$0	**$0**
Federal Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Local Funds	$0	$0	$0	$0	$0	**$0**
Annual Total						

REVENUES	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**5 -YEAR TOTAL**
State Gen. Fd.	$0	$0	$0	$0	$0	**$0**
Agy. Self-Gen.	$0	$0	$0	$0	$0	**$0**
Ded./Other	$0	$0	$0	$0	$0	**$0**
Federal Funds	$0	$0	$0	$0	$0	**$0**
Local Funds	$0	$0	$0	$0	$0	**$0**
Annual Total	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

EXPENDITURE EXPLANATION

This measure will have an indeterminable impact on Medical Vendor Payments (MVP) expenditures. The LFO cannot determine whether this legislation will result in a net increase or decrease in claims payments.

This measure will require DHH to implement a claims review process and to allow providers a procedure to re-file a claim that was found to be improperly billed but reasonable and necessary during DHH's audit review process. Currently, DHH audits all paid claims to ensure claim payments were properly billed and necessary. After auditing these claims, DHH recoups payments from healthcare providers that were improperly billed. Information provided by DHH indicates healthcare providers are not allowed to correct their original claim through re-filing or any other method, however, in some cases DHH recoups the portion of improperly filed claims for reasonable and necessary services by reducing future provider payments. It is unclear whether this measure will result in DHH receiving less recouped claims since all providers will be allowed to re-file claims for reasonable and necessary services that were found to be improperly billed.

In addition, this measure provides for additional time beyond the established 365 days to re-file the claim. It is unclear whether this measure is in conflict with 42 CFR 447.45 which requires providers to submit all claims no later than 12 months from the date of service to DHH.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate Dual Referral Rules House

☐ 13.5.1 >= $100,000 Annual Fiscal Cost {S&H}
☐ 13.5.2 >= $500,000 Annual Tax or Fee Change {S&H}
☐ 6.8(F)(1) >= $100,000 SGF Fiscal Cost {H & S}
☐ 6.8(G) >= $500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

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