

## RÉSUMÉ DIGEST

HB 698

2021 Regular Session

Bacala

Present law provides for powers and duties of the secretary of the La. Dept. of Health (LDH). Proposed law would have added to present law 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 would have required 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 would have stipulated that such agreements require LDH to furnish to LDR identifying information of all of the following persons:

- (1) Each person under age 19 who is enrolled in the La. Medicaid program with the exception of the following:
  - (a) Children in child-only Medicaid cases.
  - (b) Children in Medicaid cases that have received a good cause exemption from the Medicaid Support Enforcement Services cooperation requirement.
- (2) Each adult who is enrolled in the Medicaid program of this state and whose Medicaid application indicates that any child or children under age 19 live with him.

Proposed law would have required 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. Would have required further that, unless prohibited by the Internal Revenue Code or any other federal law or regulation, LDR identify to LDH each child so identified.

Proposed law would have required that each agreement entered into pursuant to proposed law set forth standards and protocols for the transfer of data between LDH and LDR. Would have required that these standards and protocols ensure that in cases where there is domestic abuse or violence, the personal information shared between the departments does not create or increase the risk of harm to the victims in those cases.

Proposed law would have required LDH, on or before Jan. 1, 2022, and annually thereafter, to report to the legislature the number of children enrolled in Medicaid, excluding children in child-only Medicaid cases and children in cases that have received a good cause exemption, 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. Would have required that the report consist of statistical information exclusively and contain no identifying information of any individual.

Proposed law would have required DCFS and LDH to enter into memoranda of understanding, cooperative endeavors, or other type of agreements periodically as necessary to implement and maintain a program wherein cash medical support payments collected under the authority of present law are used to offset state and federal Medicaid costs.

Proposed law would have required DCFS to remit any cash medical support payments to LDH when all of the following apply:

- (1) The obligor has been ordered under present law to make cash medical support payments.
- (2) DCFS is providing support enforcement services.
- (3) Cash medical support has been assigned to the state in accordance with applicable federal regulations for child support enforcement.

Proposed law would have stipulated that nothing therein be construed to require DCFS to violate any federal regulation pertaining to child support enforcement.

Proposed law would have required that each agreement between DCFS and LDH entered into pursuant to proposed law provide for incentive payments by LDH to DCFS in amounts not to exceed 15% of the total of remittances made under the prior agreement to offset Medicaid costs. Would have stipulated that any such payment 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 would have provided that no payment remitted to LDH in accordance with proposed law would reduce the amount of child support that otherwise would be owed to the obligee if cash medical support had not been ordered.

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

**VETO MESSAGE:**

"Please be advised that I have vetoed House Bill 698 of the 2021 Regular Session.

House Bill 698 seeks to statutorily encumber an existing practice undertaken by the Executive Branch in an effort to determine whether a non-domiciliary parent taxpayer has claimed a child for tax purposes but did not claim the child for Medicaid eligibility purposes. As explained in committee testimony by the Department of Revenue, this legislative mandate risks non-compliance with the Internal Revenue Code (and millions of dollars of annual tax collections) and the confidentiality guaranty that is afforded to all taxpayers. While there exist several exceptions to this confidentiality provision, this approach and unfunded mandate duplicates existing processes with little return on investment. Specifically, any statistics relative to a domiciliary parent claiming a dependent for tax purposes will inherently conflict with rules pertaining to the household size for Medicaid eligibility rules, thus presenting an apples versus oranges approach that will undoubtedly be misconstrued and misinterpreted.

Nonetheless, I have directed the Departments of Health, Revenue, and Children and Family Services to continue their collaboration to ensure the utmost integrity within the Medicaid system. Existing data sharing agreements are already under review and will be further expanded, within the parameters of federal and state law, to provide additional tools to LDH so that taxpayer dollars are expended appropriately in the course of Louisiana's Medicaid Program.

For these reasons, House Bill 698 is vetoed and returned to the House of Representatives."