




Bill Text Version: **ENROLLED**

Proposed Amd.:

Sub. Bill For.:

Proposed law requires the Louisiana Department of Health (LDH) to adopt the following program integrity measures to verify ongoing eligibility for Medicaid: (1) LDH shall not accept eligibility determinations from certain exchanges, but may accept assessments from such exchanges, if independently verified to make eligibility determinations. (2) No agency that operates as part of Medicaid may rely solely on ex parte renewals. (3) Unless required by law LDH shall not accept self-attestation of Louisiana state residency for initial eligibility determinations or renewals and may use technology and government data sharing to verify income, residency, household composition, or receipt of other coverage. (4) The department may use an enhanced income verification platform to verify recipient eligibility. (5) LDH shall enter into certain data matching agreements to cross-check households enrolled in Medicaid with other state data sets as allowed by law. (6) LDH shall publish information related to certain findings of noncompliance and fraud investigations in Medicaid on its website, quarterly.

<p><u>Senate</u></p> <p><input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}</p> <p><input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}</p>	<p><u>Dual Referral Rules</u></p>	<p><u>House</u></p> <p><input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}</p> <p><input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}</p>	 <p>Patrice Thomas Deputy Fiscal Officer</p>
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LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 130** SLS 25RS 367
Bill Text Version: **ENROLLED**
Opp. Chamb. Action:

Proposed Amd.:
Sub. Bill For.:

Date: June 11, 2025	3:04 PM	Author: CLOUD
Dept./Agy.: Health/Medicaid		
Subject: Program Integrity Measures		Analyst: Anthony Shamis

CONTINUED EXPLANATION from page one: Page 2 of 2

EXPENDITURE EXPLANATION Continued from Page 1

Assume that annually, 11,202 initial denials from FFM applications are due to their ineligibility or not responding to requests for additional information, which would have previously been enrolled in expansion based on FFM determinations.

Assume that 87,976 applications in expansion, family, and children's programs will be initially denied annually based on projected no response from recipients.

Assume start date of January 1, 2026 (6 months in FY 26).

There will be an upfront cost of approximately \$3.5 M to implement this legislation. The costs are related to the additional positions, Operating expenses for printing and postage, modifications to the eligibility determinations system, and equipment. Savings will follow once implementation is completed.

The table below represents anticipated Medicaid expenditure savings:

	<u>FY 25-26</u>	<u>FY 26-27</u>	<u>FY 27-28</u>	<u>FY 28-29</u>	<u>FY 29-30</u>	<u>Total</u>
SGF	(\$5,054,757)	(\$10,575,771)	(\$16,307,150)	(\$16,296,277)	(\$16,285,187)	(\$64,519,142)
Dedicated	(\$5,077,683)	(\$10,053,813)	(\$15,233,050)	(\$15,233,050)	(\$15,233,050)	(\$60,830,646)
Federal	(\$78,655,399)	(\$160,700,458)	(\$243,931,463)	(\$243,915,482)	(\$243,899,181)	(\$971,101,983)
Total	(\$88,787,839)	(\$181,330,042)	(\$275,471,663)	(\$275,444,809)	(\$275,417,418)	(\$1,096,451,771)

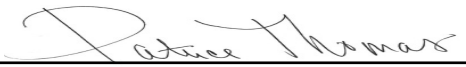
DPS - OMV (\$24,348 SGR) in FY 26

DPS reports that OMV worked with the Office of Technology Services (OTS) applications team to obtain an estimate for the feasibility and cost of transmitting the required data to LDH. OTS estimates 200 combined hours of work for both a Senior and Junior Applications Developer at a blended rate of \$120/hour, including requirement sessions, application development, testing, and implementation tasks to allow for residency checks against OMV data at initial Medicaid eligibility and on a quarterly basis. The hourly rate is provided and billed by OTS as an IAT expenditure. State Senior/Junior Application Developer @ 200 hours x \$120 per hour = \$24,000 x 1.45% Medicare = \$348 (Total: \$24,348)

Senate
☐ 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

Dual Referral Rules

House
☐ 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}


Patrice Thomas
Deputy Fiscal Officer