

RÉSUMÉ DIGEST

ACT 401 (SB 24)

2025 Regular Session

McMath

Existing law establishes the Medical Assistance Programs Fraud Detection Fund (hereafter "fund") for the purpose of funding Medicaid fraud detection programs within the office of the attorney general and the La. Dept. of Health.

Prior law required all monies received by the state pursuant to a Medicaid-related civil award or settlement, except for the amount to make the medical assistance programs whole, to be deposited into the fund.

New law expands the source of monies deposited into the fund to all monies received by any state entity related to a recovery, fine, or penalty pertaining to the medical assistance programs, including all monetary sanctions assessed against providers and managed care organizations, after accounting for any federal share, and excluding any third party liability and estate recoveries as defined by federal regulation.

Prior law divided the monies in the fund evenly between the office of the attorney general's Medicaid fraud control unit and the La. Dept. of Health for purposes specified in prior law.

New law changes the allocation of funds to first fully fund the Medicaid fraud control unit within the office of the attorney general, then divides the remaining funds evenly between the office of the attorney general's Medicaid fraud control unit and the La. Dept. of Health's program integrity section.

New law limits the fund balance to \$20M and provides that any monies in excess of the \$20M fund balance will be used to fund the medical assistance programs.

Prior law provided that monies in the fund could not be used to replace, displace, or supplant state general funds appropriated for the daily operation of the department or the medical assistance programs and limited the use of monies in the fund to certain purposes.

New law provides that monies in the fund shall not be used to replace, displace, or supplant state general funds appropriated for the daily operation of the La. Dept. of Health, the office of the attorney general, or the medical assistance programs and requires that monies in the fund be used to fund the Medicaid Fraud Control Unit within the office of the attorney general and the La. Dept. of Health program integrity section.

Effective July 1, 2025.

(Amends R.S. 46:440.1(B)-(E))