

2021 Regular Session

HOUSE BILL NO. 698 (Substitute for House Bill No. 186 by Representative Bacala)

BY REPRESENTATIVE BACALA

STATE AGENCIES: Provides for state agency partnerships to improve Medicaid administration and program integrity

1 AN ACT

2 To enact R.S. 36:254(D)(2)(e) and (f) and 460 and R.S. 46:236.1.1(17) and 236.9.1, relative
3 to interagency agreements between departments of the executive branch of state
4 government concerning certain public assistance programs; to provide relative to
5 administration by the Louisiana Department of Health of the medical assistance
6 program of this state known as Medicaid; to provide relative to administration by the
7 Department of Children and Family Services of the child support enforcement
8 program of this state; to require the Louisiana Department of Health and the
9 Department of Revenue to enter into agreements to carry out certain Medicaid
10 program integrity functions; to require the Louisiana Department of Health and the
11 Department of Children and Family Services to enter into agreements concerning the
12 use of certain cash medical support payments to offset Medicaid costs; to provide
13 specifications for the content of such interagency agreements; to provide for
14 incentive payments from the Louisiana Department of Health to the Department of
15 Children and Family Services for certain purposes; to provide relative to interagency
16 data sharing; to provide for reporting to the legislature; to provide for construction
17 of certain laws; and to provide for related matters.

18 Be it enacted by the Legislature of Louisiana:

19 Section 1. R.S. 36:254(D)(2)(e) and (f) and 460 are hereby enacted to read as
20 follows:

1 §254. Powers and duties of the secretary of the Louisiana Department of Health

2 * * *

3 D.

4 * * *

5 (2) Except as otherwise limited by a specific provision of law, the secretary
6 is authorized to perform all of the following relative to or concerning the Medical
7 Assistance Program:

8 * * *

9 (e) Cause the department to enter into memoranda of understanding,
10 cooperative endeavors, or other type of agreements with the Department of Revenue
11 for the program integrity functions provided for in R.S. 36:460.

12 (f) Cause the department to enter into memoranda of understanding,
13 cooperative endeavors, or other type of agreements with the Department of Children
14 and Family Services for the interagency incentive program provided for in R.S.
15 46:236.9.1.

16 * * *

17 §460. Department of Revenue; interagency agreements for Medicaid program
18 integrity; reporting

19 A. Unless prohibited by regulations or policies of the Centers for Medicare
20 and Medicaid Services or any other federal regulation or law, the Department of
21 Revenue and the Louisiana Department of Health shall annually enter into a
22 memorandum of understanding, cooperative endeavor, or other type of agreement
23 for Medicaid program integrity functions that conform with the requirements and
24 specifications provided in this Section.

25 B. The agreements provided for in this Section shall require the Louisiana
26 Department of Health to furnish to the Department of Revenue identifying
27 information of all of the following persons:

28 (1) Each person under the age of nineteen years who is enrolled in the
29 Medicaid program of this state.

1 (2) Each adult who is enrolled in the Medicaid program of this state and
2 whose Medicaid application indicates that any child or children under the age of
3 nineteen years live with him.

4 C.(1) The Department of Revenue shall examine income tax returns to
5 identify any Medicaid-enrolled child who is claimed as a dependent by someone
6 other than an adult whose home the child lives in according to the child's Medicaid
7 application.

8 (2) Unless prohibited by the Internal Revenue Code or any other federal law
9 or regulation, the Department of Revenue shall identify to the Louisiana Department
10 of Health each child identified in accordance with Paragraph (1) of this Subsection.

11 D. Each agreement that the Department of Revenue and Louisiana
12 Department of Health enter into pursuant to this Section shall set forth standards and
13 protocols for the transfer of data required by Subsections B and C of this Section.

14 E. On or before January 1, 2022, and annually thereafter, the Department of
15 Revenue shall report to the legislature the number of children enrolled in Medicaid
16 who are claimed as dependents on tax returns by persons other than an adult whose
17 home the child lives in according to the child's Medicaid application. The report
18 required by the provisions of this Subsection shall consist of statistical information
19 exclusively and contain no identifying information of any individual.

20 Section 2. R.S. 46:236.1.1(17) and 236.9.1 are hereby enacted to read as follows:

21 §236.1.1. Family and child support programs; definitions

22 For the purposes of this Subpart, the following items shall mean:

23 * * *

24 (17) "Medicaid" means the medical assistance program provided for in Title
25 XIX of the Social Security Act.

26 * * *

27 §236.9.1. Cash medical support payments to offset Medicaid costs; interagency
28 incentive program

1 A. The Department of Children and Family Services and the Louisiana
2 Department of Health shall enter into a memorandum of understanding, cooperative
3 endeavor, or other type of agreement as may be necessary to implement a program
4 wherein payments collected under the authority of this Subpart are used to offset
5 state and federal Medicaid costs. The agreement may be for any term that the
6 secretaries of the two departments mutually determine, and, at its expiration, shall
7 be renewed inclusive of any revisions that the secretaries of the two departments
8 mutually determine. The program provided for in the agreement shall conform with
9 the requirements and specifications provided in this Section.

10 B.(1) The Department of Children and Family Services shall remit any cash
11 medical support payments to the Louisiana Department of Health when all of the
12 following apply:

13 (a) The obligor has been ordered under R.S. 46:236.1.2(L) or other law to
14 make cash medical support payments.

15 (b) The Department of Children and Family Services is providing support
16 enforcement services.

17 (c) Cash medical support has been assigned to the state in accordance with
18 42 CFR 433.146.

19 (2) Nothing in this Section shall be construed to require the Department of
20 Children and Family Services to violate 45 CFR 302.51 or 302.52, or any other
21 federal regulation pertaining to child support enforcement.

22 C.(1) Each agreement required by Subsection A of this Section shall provide
23 for an incentive payment to be made at least annually by the Louisiana Department
24 of Health to the Department of Children and Family Services in an amount that does
25 not exceed fifteen percent of the total of remittances made under the prior agreement,
26 in accordance with Paragraph (B)(2) of this Section, to offset Medicaid costs.

27 (2) Any payment by the Louisiana Department of Health to the Department
28 of Children and Family Services made pursuant to Paragraph (1) of this Subsection

- 1 shall be made from the federal share of the amount collected in accordance with 42
 2 U.S.C. 1396b(p)(1) and 42 CFR 433.153.
- 3 D. No payment remitted to the Louisiana Department of Health in
 4 accordance with this Section shall reduce the amount of child support that otherwise
 5 would be owed to the obligee if cash medical support had not been ordered.

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 698 Reengrossed

2021 Regular Session

Bacala

Abstract: Requires interagency agreements between the La. Dept. of Health and the Dept. of Revenue, and between the La. Dept. of Health and the Dept. of Children and Family Services, relative to administration of the Medicaid and child support enforcement programs.

Present law provides for powers and duties of the secretary of the La. Dept. of Health (LDH). Proposed law retains present law and adds thereto 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 requires 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 stipulates that the agreements between LDR and LDH shall require LDH to furnish to LDR identifying information of all of the following persons:

- (1) Each person under the age of 19 years who is enrolled in the Medicaid program of this state.
- (2) Each adult who is enrolled in the Medicaid program of this state and whose Medicaid application indicates that any child or children under the age of 19 years live with him.

Proposed law requires 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. Requires further that, unless prohibited by the Internal Revenue Code or any other federal law or regulation, LDR shall identify to LDH each child so identified.

Proposed law provides that each agreement that LDR and LDH enter into pursuant to proposed law shall set forth standards and protocols for the transfer of data required by proposed law.

Proposed law requires that on or before Jan. 1, 2022, and annually thereafter, LDR shall report to the legislature the number of children enrolled in Medicaid 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. Requires that the report consist of statistical information exclusively and contain no identifying information of any individual.

Proposed law requires DCFS and LDH to enter into a memorandum of understanding, cooperative endeavor, or other type of agreement as may be necessary to implement a program wherein cash medical support payments collected under the authority of proposed law are used to offset state and federal Medicaid costs. Provides that the agreement may be for any term that the secretaries of the two departments mutually determine, and, at its expiration, shall be renewed inclusive of any revisions that the secretaries of the two departments mutually determine. Stipulates that the program provided for in the agreement shall conform with the requirements and specifications provided in proposed law.

Proposed law requires 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 stipulates that nothing therein shall be construed to require DCFS to violate any federal regulation pertaining to child support enforcement.

Proposed law provides that each agreement between DCFS and LDH required by proposed law shall provide for incentive payments by LDH to DCFS in an amount that does not exceed 15% of the total of remittances made under the prior agreement to offset Medicaid costs.

Proposed law stipulates that any payment by LDH to DCFS remitted pursuant to proposed law shall 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 provides that no payment remitted to LDH in accordance with proposed law shall reduce the amount of child support that otherwise would be owed to the obligee if cash medical support had not been ordered.

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

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Delete proposed law providing for determination by the Dept. of Children and Family Services (DCFS) of proportions of cash medical support payments that may be remitted to the La. Dept. of Health (LDH) to offset the state and federal share of Medicaid program costs for Medicaid-enrolled children of noncustodial parents. Provide instead that DCFS shall remit any cash medical support payments to LDH when all of the following apply:
 - a. The obligor has been ordered under present law to make cash medical support payments.
 - b. DCFS is providing support enforcement services.

- c. Cash medical support has been assigned to the state in accordance with applicable federal regulations for child support enforcement.
2. Stipulate that nothing in proposed law shall be construed to require DCFS to violate any federal regulation pertaining to child support enforcement.
3. Revise proposed law providing that nothing therein shall be construed to require or authorize a reduction in child support to any child by providing that no payment remitted to LDH in accordance with proposed law shall reduce the amount of child support that otherwise would be owed to the obligee if cash medical support had not been ordered.