

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 761** HLS 16RS 1085

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 27, 2016	8:50 AM	Author: STOKES
Dept./Agy.: DHH/Medicaid		Analyst: Willis Brewer
Subject: Medicaid recovery audit contractor program		

MEDICAID OR SEE FISC NOTE GF EX Page 1 of 1
Provides relative to the Medicaid recovery audit contractor program

Proposed law authorizes the Department of Health and Hospitals to enter into contracts to establish a standardized recovery audit contractor program pursuant to 42 CFR 455. Code of Federal Regulations (CFR) Title 42 section 455 requires states to establish a medicaid fraud detection and investigation program.

EXPENDITURES	2016-17	2017-18	2018-19	2019-20	2020-21	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW					
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

This measure authorizes but does not require DHH to enter into a contract with an external vendor to establish a standardized recovery audit contractor program pursuant to 42 CFR 455 et seq. The purpose of the recovery audit program is to identify and correct improper Medicaid payments made to Medicare recipients.

Information provided by DHH indicates the department currently has a recovery audit contract function for fee for service payments. To the extent the scope of this function is increased, there will be additional expenditures incurred by the department.

REVENUE EXPLANATION

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

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

Evan Brasseaux
Evan Brasseaux
Staff Director