

**MINUTES OF MEETING**  
**Task Force on Coordination of Medicaid Fraud Detection**  
**& Prevention Initiatives**

Act 420 of the 2017 Regular Session

**Thursday, August 17, 2017**

**9:00 AM - House Committee Room 2**

**State Capitol Building**

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The items listed on the Agenda are incorporated and considered to be part of the minutes herein.

**CALL TO ORDER AND ROLL CALL**

Mr. Purpera called the first organizational meeting to order at 9:08 a.m. Ms. Liz Martin, Executive Assistant for the Louisiana Legislative Auditor (LLA) called the roll confirming quorum was present.

**Voting Members Present:**

Daryl Purpera, Legislative Auditor

Matthew Block, Executive Counsel, as Designee for Governor John Bel Edwards

Senator Fred Mills, Designee for Senate President John Alario

Representative Tony Bacala, Designee for House Speaker Taylor Barras

Ronald Beaver, Chief Investigator Medicaid Fraud Control Unit (MFCU) Criminal Division, Proxy for  
Ellison Travis, Director of the MFCU, Designee for Attorney General (AG) Jeff Landry

Michael Boutte, Medicaid Deputy Director over Health Plan Operations and Compliance, Designee for  
Louisiana Department of Health (LDH) Secretary Rebekah Gee

Tracy Richard, Criminal Investigator, Designee for Inspector General (IG) Stephen Street

**Advisory Members Present:**

Jarrod Coniglio, Program Integrity Section Chief – Medical Vendor Administrator, Appointed by LDH  
Secretary Gee

Luke Morris, Assistant Secretary for the Office of Legal Affairs, Appointed by Louisiana Department of  
Revenue (LDR) Secretary Kimberly Lewis Robinson

Dr. Robert E. Barsley, D.D.S., Appointed by Governor Edwards

**ORGANIZATIONAL DISCUSSION**

**Introductions** – Each voting member briefly introduced themselves.

**Review of Act and Purpose of Task Force** – Mr. Purpera read the purpose from Act 420.

**Election of Chairman** – Representative Bacala made a motion to appoint Mr. Purpera as chairman, which was seconded by Mr. Block, and with no objection, the motion was approved.

**OVERVIEW OF CURRENT MEDICAID FRAUD**  
**DETECTION & PREVENTION PROCESSES**

**Attorney General's Medicaid Fraud Control Unit**

Mr. Beaver explained that allegations are received from the LDH, and Managed Care Organizations (MCOs) and the general public, as well as other law enforcement agencies. The MFCU screens those allegations to determine if criminal and determine action if warranted. They create a new case and assign it to an investigator and attorney and additional staff if needed. They try to go through their investigation within six months or as fast as possible. They do surveillance, search warrants, conduct interviews, and

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effect arrest if enough probable cause. The MFCU interacts with LDH in regular meetings, biweekly and monthly meetings, as well as meet with the MCO's on a monthly basis to find out what is going on. They also receive recommendations from the FBI and the Federal Office of Inspector General.

For 2017 the MFCU has already received 1,600 complaints to date, and have 534 open investigations, made 72 arrests, and conducted eight search warrants. They collected \$125M annually for the last five years. The budget is comprised of 75% federal funding and 25% from the Medicaid Medical Assistance Fraud Fund that is received from self-generated revenue that goes into the MFCU. So currently the MFCU is not using any state dollars.

Representative Bacala asked for a profile of the 534 open cases. Mr. Beaver explained that the majority of the complaints are regarding behavioral health fraud. They see people opening companies with no good mechanism for the way the billing is done and difficult to see who is actually doing the billing. Also there is no way to determine if the services are actually rendered. The MFCU is seeing a lot of Adderall being prescribed from these facilities. They have established a task force within MFCU to just look at behavioral health companies.

Mr. Block asked if the \$125M collected was broken down by year and categories of fraud, and asked for more details. He explained that the report he received from the MFCU was difficult to decipher and suggested discussing further at a later meeting.

### **Louisiana Department of Health**

Mr. Boutte reviewed LDH's most recent legislative quarterly report which contains statistics of the number of complaints received, the dollar value of recoveries, some cost avoidance referrals and notices to MFCU. All potential fraud complaints are referred to MFCU for investigation. Also in the report are LDH's ongoing case reviews and information on excluding and terminating providers.

Mr. Boutte said that the case types and dollars identified with those cases are shown in the tables, as well as the 525 open cases that their Surveillance Utilization and Review System (SURS) unit is working on. Page 4 of LDH's report shows the managed care summary which is received from the health plans and their special investigation units. The report also shows the tips, recoveries, cost avoidance, and providers on prepaid review, their notices and referrals to MFCU, and the number of audits that they conducted. This report gives the high level overview of some of the statistics in terms of what LDH program integrity actually does. On page 5 they broke out two major bullet points: first, a list of entities that LDH identified as performing fraud, waste and abuse investigations. These are specific contractors that work with LDH through CMS and those would also be involved in fraud, waste and abuse efforts. The second bullet is LDH's prevention and detection processes which include their claims processing system edits. There is a claims adjudication process that looks for issues with claims. Then each health plan has its own claims editing system which identifies issues with claims.

LDH does prior authorization for high risk areas and electronic visit verification that was in place on a limited basis but is being expanded this year and primarily driven at their home community based services areas. They have database checks again on the providers' side looking at adverse actions and making sure the providers are not on the federal exclusions list before they enroll in Medicaid and that is checked monthly to ensure that they keep excluded providers from providing any services in the state. LDH does provider education on how to analyze claims, identify billing patterns, provide information to providers on potential hotspots and issues that LDH identified to address some of the prevention efforts. On the

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detection side, they have a complaint hotline where individuals can call, send emails, or complete forms to share concerns or issues and LDH's SURS unit will review those for validity.

Mr. Boutte shared that LDH also has internal data mining where they look for known issues, such as information from other states and counterparts, and from health plans directly that they are seeing in their networks so LDH can try to identify those same issues in not only fee-for-service but also the managed care side.

Mr. Purpera asked if Mr. Boutte could provide the claims' dollars of fee-for-services versus the MCOs. Mr. Boutte answered that it is about 55% MCO and 45% fee-for-service but about 90% of their members are in MCOs. Mr. Purpera asked if the efforts by the SURS unit are strictly for fee-for-service or also for MCO. Mr. Boutte responded that they look at both but the majority of the cases are with fee-for-service. Most of the open cases will be in the personal care services and home community based services and that specific service is still a fee-for-service carve-out.

Mr. Beaver asked for numbers on the recipient side. Mr. Boutte said they are looking into that specifically and one of the purposes of the task force is to identify recipient fraud. They are looking for a way to identify if someone was kicked out specifically for fraud. LDH has a list of case closure codes but to his knowledge there is not one that explicitly says fraud, but they are looking at how to identify the cases closed for fraud related reasons.

Representative Bacala asked Mr. Boutte to bring to a future meeting the rate per thousand or per ten thousand fraud investigations on the MCO side versus the fee-for-service as that would be interesting differences to review. Mr. Boutte said that on both sides all credible allegations or notices of fraud get referred to MFCU.

#### **Inspector General**

Ms. Richard said that any complaints received in regard to Medicaid are referred to the AG's office, even if in another investigation and an allegation arises regarding Medicaid, it is also referred to the AG. They have no open cases regarding Medicaid. She works in the Lafayette FBI office and has access to federal DHH and OIG staff, so sometimes she gets involved in health and hospital issues. Her staff is small but has data mining techniques and willing to help anyway possible.

Representative Bacala asked if she serves on a task force with the FBI. Ms. Richard said the IG's office has a public corruption task force with the FBI. They use IDEA software program for data mining and any time they can get access to raw data they can drill it down. Representative Bacala asked if she has access to other databases than the members on the task force. Ms. Richard responded that she can get access to other information.

#### **Legislative Auditor's Medicaid Audit Unit (MAU)**

Mr. Purpera explained that his office has always audited the Medicaid program but after the past year and a half, they have begun to take a new focus. State auditors from around the country are also focusing on Medicaid auditing. He just returned from the National Association of State Auditors, Comptrollers and Treasurers' (NASACT) 2017 Annual Conference where they discussed a major effort on the Medicaid program and benefit payment programs which are becoming such a large portion of Louisiana's budget. The idea is rather than just an annual audit but to do continuous auditing of the Medicaid program because of the high cost and the error rates that the federal government continuously says they have. CMS calls their Payment Error Rate Measurement (PERM) score rate for Louisiana to be around 10.3%, but was as

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high as 18% at a particular period of time. He questions if CMS's numbers were accurate and how they determined those numbers, so his auditors will be looking into that in the future. Some of the other state auditors are also questioning the process that CMS uses to arrive at the PERM number and if it is accurate.

Mr. Purpera had spoken with Senator John Kennedy because Congress is debating the health care act, to see if state auditors could be required to look at Medicaid on a continuous basis. He also spoke with the House Committee on Oversight and Government Reform staff because they are considering legislation along this line. Earlier in the week he spoke with Scott Pattison with the National Governors Association about what that organization can bring and help spread the word to the state auditors. The state auditors were doing what they had to do in order to issue financial statements each year, but there is more that can be done to audit on a continuous basis.

Mr. Wes Gooch, Assistant Director of Financial Audit Services, said he has been associated with the Medicaid audits for the last 20 years. Historically the LLA audits LDH each year and primarily does two things in those audits. First, the auditors look at LDH's financial information that would be significant to the state's Comprehensive Annual Financial Report (CAFR). Every year the Medicaid and LaCHIP federal revenue and expenditures and all of the Medicaid accounts receivable and accounts payable accruals are always significant material items that are audited. That information is provided to LLA's team that audits the state's financial statements. Mr. Gooch explained that Mr. Purpera must sign an opinion on those financial statements. Secondly, they audit the major federal programs under the Single Audit Act. Because of the size of Medicaid and LaCHIP, as well as because the federal grantor call them high risk every year, the LLA audits them every year under the Single Audit. These audits are focused on determining whether or not LDH is in compliance with the requirements set by the federal grantor. The audits are not designed to specifically look at fraud, waste and abuse. However, one of the requirements of the audit is that if the LLA notes any fraud, waste or abuse, then they must run that down and report it. Routinely they examine allowable activities, allowable costs, eligibility, cash management, the state matching requirements, period of performance, federal financial reporting and any special provisions that the federal grantor requires. Routinely findings are noted in the audits when they do this compliance work but it is not normally indicative of fraud. However, any improper payments are considered waste and abuse.

Mr. Gooch further explained that the LLA's performance audit services is also required to be in every major state agency every seven years, but for an agency as large as LDH, the performance auditors are there every year and over the last few years most of their projects have been regarding Medicaid. Performance auditors are looking at programmatic issues as well as specific compliance issues for some categories and projects that they take on. For the last few years, they have had a number of Medicaid projects and given many programmatic recommendations as well as pointed out some compliance issues that could be improved. Again, while not specifically looking for fraud, they are heavily working in that abuse and waste category.

The LLA also receives frequent legislative requests and some of those are regarding Medicaid. They also receive a number of allegations through the LLA fraud hotline and reporting through the website. Most allegations regarding Medicaid are eligibility issues such as a reporting that someone is working but also on Medicaid and should not be. Most of those allegations are referred to LDH for their review in program integrity.

Mr. Gooch issued a caution regarding who the LLA is and what the auditors can do because of the auditing standards. In order for Mr. Purpera to give his opinion on the state CAFR and to do the Single

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Audit, the auditors must maintain their independence. He explained that the LLA absolutely wants to coordinate and cooperate but at the end of the day they are still the auditors and they must still perform an audit function. He explained that the LLA can provide technical expertise, advice, coordination, cooperation, idea sharing, and finance sharing, but reiterated that as they go through the process on this task force, their independence is always going to be an issue to discuss and consider. Some of the main things that the auditors cannot do or lines they cannot cross include making management decisions for the entities that they audit, but they can make recommendations. The other issue is that the auditors cannot be put in a situation where they would be auditing their own work because that would definitely impair independence. Also auditors cannot be performing a consulting service for the same entity that they provide auditing services. Those are some of the issues for discussion on this task force, but there is still a very wide scope of things that auditors can do.

Mr. Gooch reiterated what Mr. Purpera said about how for the last several years the LLA has been branching out and had four separate reports in recent months regarding the new focus with the Medicaid Audit Unit (MAU). The MAU has combined the expertise of our financial, investigative, and performance auditors as well as expanded outside of traditional hiring practices by not just hiring accountants and CPAs but also people with specific data science expertise, knowledge and skills. They have looked for opportunities to further use data analytics with existing software and purchased software. Mr. Purpera has led the office to look at any opportunities for new partnership, coordination, and cooperation on both federal and state sides, as well as reaching out to other state auditors throughout the country so all can share information and do more on a broader scope rather than in independent silos.

Ms. Nicole Edmonson, Assistant Legislative Auditor for State Audit Services, said the MAU's software and use of data analytics allow more than just sampling because now the entire Medicaid database can be put into the software system and run scripts to look for improper payments and outliers. The days of sampling are gone because more of an impact by looking at the data in its totality. The MAU is building the infrastructure with the purchased software to input all of the Medicaid rules so they can run the data through the rules to see instantly if any improper payments. Many of the reports issued by MAU have been on improper payments. They are also looking to build a predictive model to help find outliers that can be fed to the AG's office and LDH to find more fraud, waste and abuse.

Ms. Edmonson commented that Louisiana is on the forefront of a more comprehensive look at Medicaid fraud, waste and abuse by coordinating with the federal government and other states. This task force is a great way to pull everyone together to make sure they are not being redundant. Also helpful is that each agency's tools and skills can be partnered together while still keeping auditors' independence in mind but together making a comprehensive dent in Medicaid fraud, waste and abuse.

Representative Bacala pointed out on page 4 of Act 420, "Random sampling of Medicaid cases to verify eligibility of the enrollees", which the primary factor is verifying household income. He asked if the MAU has sampling capabilities to do that. Mr. Gooch answered that the auditors routinely test eligibility by sample when testing the Medicaid program for the Single Audit each year. Representative Bacala asked what that entails. Mr. Gooch answered that they look at eligibility determination in the files at LDH which LLA has access to that data. The auditors look to ensure all the required documentation and all aspects of eligibility were met for that sample. Representative Bacala asked how they know the integrity of LDH's files – in other words are those simply completed applications showing household income or has LDH checked that number against the income tax records. He asked if LDH or LLA has gone so deep to confirm that the children listed as dependents for the purpose of Medicaid coverage are the same children that are legally listed as dependents on tax documents.

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Mr. Gooch responded that auditors do not currently go that far. LDH has interfaces with certain data sources in order to do that but it is certainly an area that LLA is interested in looking further into eligibility and looking at removing some current obstacles to data that cannot be accessed. Representative Bacala asked what the obstacles are. Ms. Edmonson said access to the data at LDR in terms of looking at people's tax data is protected by law unless they are doing an audit of LDR. But the LLA cannot look at LDR's data to compare it against the Medicaid recipients.

Representative Bacala said he understood the confidentiality of tax records, but the next step if LDH cannot look at the actual tax records to verify the applicant information is correct, is if LDH could send a request to LDR to confirm the household income matches. Also to confirm that the person making the application for dependent children with LDH are not dependents of someone else in the income tax records. He explained further that he is not requesting LDR shares the information but would it still be in compliance with the statute if LDH gave LDR 50-100 random Medicaid applications for comparing against LDR's records in areas A,B and C and determine if they match or not – just a yes or a no, not detailed information.

Mr. Morris responded that unfortunately the secretary's records which would include tax returns necessary to verify those applications are protected by their confidentiality statute. Representative Bacala said he is not asking to look at the records but asking LDR to confirm just for the sampling of the 100 or 50 if the information matches. He must decide if legislation is necessary to aid in this.

Mr. Morris said in his opinion LDR would not be able to provide absent an exception to 1508, which may be the proper remedy to this issue because he understands the efforts of the LLA. He suggested getting an exception to that confidentiality statute, so LDR could provide a lot more useful information to the LLA.

Representative Bacala said he is not an accountant or a lawyer, but does not see where it would be a violation of the principles of confidentiality if LDR just confirms if the samples from LDH matches the tax data. He suggested in the next couple of weeks to get a legal opinion to see if that would be a violation of law. Mr. Morris responded that he would have his staff look at that as well.

Representative Bacala said that is essential to look at the applications for Medicaid and the State of Louisiana has the records necessary to ensure accuracy to some degree. He suggested Ms. Richard look at the federal side since she sits on an FBI task force. He reiterated that he was not asking for information – names or anything like that - just to check a sampling of applications to be sure in compliance.

Mr. Morris said he would have his staff look into this further, but in order to make that determination, LDR would be disclosing if the applicants have the dependents which would fall under the 1508 confidentiality. Representative Bacala said it is no more violating confidentiality than LDR saying they collected X number of dollars for the state last year because nothing specific, just general information.

Mr. Purpera asked if Mr. Morris was aware of any other exceptions. Mr. Morris responded that it is actually done frequently because LDR wants to be able to work with other agencies to arrive with the correct amount of tax collection. Title 47:1508 is the Louisiana state law citing that everything the LDR secretary has is confidential and there are a whole host of exceptions to that rule. Mr. Purpera asked if that statute is being governed by a federal statute. Mr. Morris said this is specific to Louisiana, but there are federal components but that are covered under the federal rules: FTI - federal tax information. Taxpayers' tax return and any information that they give LDR including the number of dependents are

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protected by R.S. 47:1508.

Representative Bacala asked if an applicant was applying for Medicaid benefits for children and in a search of the records of LDR those children were actually listed as dependents of someone else, would that be considered fraud, waste, abuse or a crime. Mr. Morris said certainly if a taxpayer listed a person as a dependent on a return that they are not entitled to, then it is a crime. Representative Bacala reiterated that importance of confirming dependents of the tax filer to be matching dependents of the applicant for Medicaid benefits. He said they must ensure no fraud at the applicant level or even fraud at the income tax level looking at household income to make sure it is being reported and not just one parent's income. He believes all this to be vitally important to the business of the state ensuring compliance.

Representative Bacala would like to see an official request for that information under the random sampling for verification of enrollee eligibility. He questioned if the will of the legislature amounts to an exception since Act 420 specifically asked for the sampling - just not directly from LDR - and maybe that will play into the decision as to whether LDR can give anonymous information back or not. Mr. Morris said he would certainly look into this.

Representative Bacala made an official request that LDR provide this task force with confirmation of sample data stating the percentage of applications to be correct with the tax records. For example, tell the number of applications to be 100% correct and the remainder had some issues with them one way or the other. He clarified that he was not asking for specific information about the difference - only the percentage of information supplied by the applicant compared to the information contained at LDR that did not match up. He hoped by the next meeting LDR can definitely state if they believe this would be a violation of the law.

Mr. Beaver commented that MFCU also sees it on the provider side where some companies show zero income reported. He suggested that if confirmations were made on the recipients that they could also get approval to get confirmations on the providers. Mr. Beaver said that he sees all the time companies that are billing \$2-4 million a year but they report zero income.

Mr. Purpera expressed appreciation for Mr. Morris serving on the committee and thanked Secretary Robinson for designating him. He introduced the two other advisory members – Mr. Jarod Cagnilio and Dr. Robert Barsley and asked if they wanted to speak but both declined. He thanked everyone for their presentations because it does give a good idea of what each agency represented is currently doing for Medicaid fraud waste and abuse detection, prevention and investigations.

**PUBLIC COMMENT**

Mr. Jeff Drozda, Chief Executive Office of the Louisiana Association of Health Plans (Association), explained that all the health plans represented from all different lines of business including commercial and Medicare as well as all five of the MCOs are members of the Association. He explained that the Association members are not fee-for-service, but are on the MCO side so they have nothing to do with eligibility. He offered their assistance and any information that the task force would be interested in. All five of the plans have very aggressive internal waste, fraud and abuse mechanisms. They incorporate national best practices and turn over any possibly fraud to the appropriate agencies.

Senator Mills thanked Mr. Drozda for the work the Association has done and since he sees best practices in other states that have helped MCO's providing managed care on Medicaid, the task force would

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welcomed his input on any issues or barriers that can be corrected from the standpoint of rulemaking or legislatively.

Mr. Purpera asked if the MCO's would be willing to testify about their program integrity units - what they doing, seeing and finding. Mr. Drozda answered absolutely the Association would assist with that. Since all five MCO's incorporate best practices, he suggested having only one or two come to the table and walk through what they do internally. Mr. Drozda commented that the MCO's are being stewards of state dollars, so their goal is to make sure that the payments do not go out the door incorrectly at all because once out the door it is much more difficult to collect it back.

### **PLANNING**

#### **Future Meeting Dates**

Mr. Purpera asked if Thursday, September 7 would work with everyone's schedules. Dr. Barsley requested Wednesday, September 6 because he lectures every Thursday morning. All members agreed that Wednesday, September 6 at 10 am would be the next meeting.

#### **Assignments**

Mr. Purpera said after discussion about R.S. 47:1508 he is very interested in that and it has been a issue for auditors for years, so he will ask his legal counsel to look into it and coordinate with LDR to determine exactly what the statute requires. He asked if the AG's office has dealt with this issue. Mr. Beaver responded affirmatively and said he will request an opinion from his office.

Mr. Purpera said his auditors look at the data for only specific purposes so being able to have that information to do data analytics would be huge. He said that this is not looking for the needle in the haystack but a whole field of haystacks, and as Ms. Edmonson stated earlier, sampling does not work in this situation if they want to have a large impact. Sampling only points the auditors to a problem, but does not go to the specific transactions to correct them.

Representative Bacala suggested discussing with LDH on how best to break down this task force study into component pieces. The task force needs to identify component pieces that they want to address and maybe dedicate a meeting to get all the people in to discuss each piece thoroughly. For example, eligibility might be a good topic that may take a whole day. Another identified piece that they need to dig into is behavioral health. He was not sure what all the pieces are, but reiterated that the first step is to identify those pieces.

Mr. Purpera agreed that eligibility is a big piece and another is in Section C of Act 420 "Optimization of data mining among state owned data sets for purpose of Medicaid fraud protection, prevention." They need to inventory those datasets and determine who has access to them. The LLA may have access to data that the AG does not, or vice versa, but they could possibly share. Mr. Purpera said they need to remove as many obstacles to data as possible. Ms. Edmonson said the MAU is pulling together data systems statewide and office wide in the different programs in terms of data systems that have to do with Medicaid. However, the LLA does not know all the data systems. She suggested that all agencies on the task force bring to the next meeting a list of the data systems that they use and what they provide. Then they can look at access issues and sharing agreements and such.

Senator Mills said that years ago when Unisys manned the Medicaid program there were regional committees that pharmacists and physicians sat on and looked at raw data to see what was happening as



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far as doctor shopping. Recipients were going to four doctors and getting duplication of therapy, but MCOs have really worked on correcting that.

However, the task force may want to look at that issue of Medicaid eligibility because people's income streams are fluid and tax returns do not give a true picture especially for seasonal workers. If possible to ensure people that need the services are receiving Medicaid but if they are no longer eligible, then that should be addressed. However, tax returns can definitely help confirm dependents.

Senator Mills said the main thing he would like the task force to see what is happening on the fee-for-service issue and is that care being managed as well from the standpoint of potential doctor shopping. For example, the same person is going to see an internist for diabetes five times. Not sure if that is fraud, waste and abuse but something the committee can look at more. He also wants to look at narcotic usage for Medicaid recipients using the data from the prescription monitoring program. The task force can look at data from the Board of Pharmacy and State Police and get our strategic partners to look at it too.

Ms. Edmonson said that the LLA went to court to get access to the prescription data and looking at that data while doing an audit right now. The auditors have realized that different data systems throughout the state could be pulled into the audit including the Louisiana Workforce Commission and Office of Motor Vehicle data. The LLA's report showed issues with social security numbers being incorrect, but as the auditors become aware of more databases, and as they get access to those databases and using their new data capabilities it can all be pulled together to find more fraud.

Senator Mills said the prescription monitoring program could maybe show doctor shopping, and even look on the providers' side if there have been some issues. Ms. Edmonson said the auditors are doing work on opioid use among Medicaid patients and that leads to all kinds of questions that may have good answers or may show areas where improvement is needed in the state.

Mr. Purpera commented that Senator Mills brought up some really good points, and his staff is doing some work that will show not only financial results such as reducing improper payments but also improving some public safety policies. Senator Mills learned that educating the recipients helped a lot when he sat on peer review committees, and suggested integrating that into the task force goals.

Mr. Purpera said another item as per Act 420 is "(4) To develop recommendations for policies and procedures by which to facilitate and implement all of the following:...(b) Improvements in the Medicaid program integrity functions of the Louisiana Department of Health." The LLA is embarking on a performance audit on that now.

Ms. Edmonson said doing a thorough performance audit on LDH's Medicaid program integrity unit has been on their to do list for a while, but this task force has pushed it up on the priority list, so LDH will receive a formal notification. She explained that the purpose of performance audits is to look at a program, its operations and weaknesses and come up with recommendations to fix it. The performance auditors will work with LDH to see what some of their challenges are, compare it to other states and then determine what can be done to basically strengthen it.

Mr. Beaver mentioned that he was in a MCO meeting the day before and they put together a presentation showing that since the Medicaid expansion the opioid addictions have as nearly doubled. He suggested that the task force also look into this issue. Mr. Purpera commented on a discussion at the NASACT conference about opioid abuse is an epidemic and on the minds of every governor around our country and

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something needs to be done about that.

Mr. Purpera said that Act 420 requests sampling, but in the future sampling will not be the way to fight the problems of improper payments with Medicaid but must use data analytics and predictive models in a more sophisticated manner. The other issue is not only sharing data among the state counterparts that are represented at the meeting today but the auditors around the country are hopefully sharing algorithms so they will not each have to recreate the wheel.

Representative Bacala pointed out that handling of allegations and complaints, and conducting investigations seems to be a little disjointed between the AG, IG, LDH and LLA. When the AG has 434 open cases, then how many open cases does everyone else have or is there one database that coordinates the efforts instead of separate shops and never do they cross. He expressed interest in discussing how these agencies are handling allegations and complaints to ensure that every complaint is at least documented and assigned.

Representative Bacala commented that every dollar saved from fraud, waste and abuse can be pumped back into the system whether through LDH or the state in general. He pointed out that one in three people which means 1.5 million people are covered by Medicaid in the State of Louisiana, so even a small percentage of money saved adds up to a lot of money.

**CONSIDERATION OF ANY OTHER MATTER**  
**THAT MAY COME BEFORE THE TASK FORCE**

Mr. Purpera thanked the members and advisory members for coming to the meeting that day and reminded them of the next meeting on September 6, 2017.

**ADJOURNMENT**

Senator Mills offered the motion to adjourn and with no objection, the meeting adjourned at 10:20 a.m.

**Approved by Act 420 Task Force on:** September 6, 2017

The video recording of this meeting is available in House of Representatives Broadcast Archives:  
[http://house.louisiana.gov/H\\_Video/VideoArchivePlayer.aspx?v=house/2017/aug/0817\\_17\\_MedFraudDetect](http://house.louisiana.gov/H_Video/VideoArchivePlayer.aspx?v=house/2017/aug/0817_17_MedFraudDetect)