



LOUISIANA LEGISLATIVE AUDITOR  
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November 4, 2013

## MEDICAID PARTICIPANT FEES PAID FOR DECEASED INDIVIDUALS IN TWO NEW HEALTH PROGRAMS DEPARTMENT OF HEALTH AND HOSPITALS

The Louisiana Department of Health and Hospitals paid approximately \$1.85 million for 1,727 deceased individuals enrolled in one or both of the state's two new health programs between February 1, 2012, and June 30, 2013, according to a report issued by Legislative Auditor Daryl Purpera's office.

The report, prepared by the office's Data Analytics Unit, said the deceased individuals are Medicaid recipients who were in the Louisiana Behavioral Health Partnership, which provides specialized behavioral health services to patients, or the Bayou Health program which provides medical coverage or case management services.

The Louisiana Behavioral Health Partnership began in March 2012 and is operated by Magellan Health Services. The Bayou Health program which was phased in between February and June of 2012 consists of five health plans administered by five managed care organizations: Amerigroup Louisiana, Inc.; LaCare; Louisiana Healthcare Connections, Inc.; Community Health Solutions of America, Inc.; and United HealthCare of Louisiana, Inc.

"DHH pays these entities monthly fees for each participant eligible for medical coverage (similar to an insurance premium) or case management services (an administrative fee) depending upon the plan in which the participant is enrolled," the report said.

There are approximately 1.4 million Louisiana residents on Medicaid now.

The report said DHH paid \$1,849,474 in fees for the deceased enrollees: about \$258,000 went to Magellan Health Services for the Louisiana Behavioral Health Partnership and \$1.59 million went to the five groups associated with Bayou Health.

Auditors said they compared the list of enrollees in the two programs with names of deceased individuals in DHH's Center of State Registrar and Vital Records database. Approximately 53 percent of the payments made were for participants who died before the new programs began, according to the report.



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The report concluded that DHH “does not have a sufficient process in place for identifying deceased Medicaid participants in a timely manner.” It said that some of the payments may have been made because DHH automatically enrolled Medicaid participants who were eligible prior to February 2012 into the new programs without verifying if they were dead.

DHH officials indicated they would seek to recover the money paid. Besides recommending recovering the money, auditors also said the department should evaluate “its current process for identifying deceased individuals in the Medicaid program and determine why deceased individuals are not being identified timely.”

**For more information, contact:**

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