*Welcome to LLA Reports, a podcast produced by the Louisiana Legislative Auditor’s office. This podcast is intended to be an oral representation of the written report it highlights and is primarily for the use of the Louisiana Legislature.*

This is Chris Magee. I’m the data analytics manager for LLA’s Performance Audit Services. This episode of LLA Reports focuses on our new report titled “Medicaid Residency.”

This report provides the results of our audit of the Louisiana Department of Health – or LDH. The purpose of this audit was to analyze the processes LDH uses to identify and remove Medicaid beneficiaries from the program who no longer live in Louisiana and no longer qualify.

Overall, we found that LDH should improve its processes for identifying and removing Medicaid beneficiaries who no longer qualify for the program.

We found that LDH made approximately $112.6 million dollars in per-member per-month – or PMPM – payments for 13,771 adult beneficiaries who did not appear to have lived in Louisiana during the period covered by the payments.

The payments went to the managed care entities that provide care under the state’s Medicaid program.

The 13,771 beneficiaries were identified because their address had been changed to an out-of-state address in LDH’s eligibility system or because they had obtained a driver’s license in another state.

We found that from June 2019 through February 2023, LDH paid approximately $3.0 million dollars in PMPMs for 380 beneficiaries who were identified as living out-of-state in LDH’s eligibility system.

In addition, the managed care entities paid a little more than $92,000 dollars to out-of-state service providers for these beneficiaries after LDH’s eligibility system had listed them as living outside of Louisiana.

We also found that from September 2016 through February 2023, LDH paid approximately $109.5 million dollars in PMPMs for 13,391 beneficiaries who, according to Louisiana Office of Motor Vehicles data, obtained a driver’s license in another state.

The managed care entities paid approximately $2.8 million dollars to out-of-state service providers after these beneficiaries obtained an out-of-state driver’s license.

Additionally, we used information from Medicaid data and the Centers for Medicare and Medicaid Services’ National Provider Identifier database to identify 3,633 beneficiaries who were enrolled in Louisiana’s Medicaid program from May 2017 to February 2023, but only received services from out-of-state providers.

These beneficiaries did not have an out-of-state address in LDH’s eligibility system, nor did they obtain a driver’s license in another state.

LDH paid the managed care entities $38.4 million dollars in PMPMs for these beneficiaries who only received services from out-of-state providers, which totaled nearly $4 million dollars.

As a result of our report, we developed four recommendations.

We recommended LDH ensure that those beneficiaries identified as residing out-of-state in its eligibility system be removed from Louisiana’s Medicaid program.

We also recommended LDH ensure it properly follows procedures for reviewing beneficiary matches found in the national Public Assistance Reporting Information System indicating the beneficiary lives out of state.

In addition, we recommended LDH obtain and incorporate Louisiana Office of Motor Vehicles data into its Medicaid eligibility determination process to identify beneficiaries who potentially live out-of-state.

Finally, we recommended LDH incorporate analyses of the Centers for Medicare and Medicaid Services’ National Provider Identifier database and the department’s claims and encounter data to identify Medicaid beneficiaries who potentially live out-of-state.

As part of its response, which is included in the report as Appendix A, LDH agreed with three of our recommendations and disagreed with one recommendation.

*We hope you found this podcast informative, and that you’ll follow future episodes of LLA Reports.*

*This podcast was created as part of the audit report just discussed and is intended primarily for the use of the Louisiana Legislature. Both the full report and the podcast can be found on the LLA’s website at* [*www.lla.la.gov*](http://www.lla.la.gov)*.*

*Thank you for listening.*