*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 “Progress Report: Medicaid Beneficiaries with No Services.”

The report provides the results of our evaluation of the progress the Louisiana Department of Health – or LDH – has made with its processes to identify Medicaid beneficiaries who do not use Medicaid services and determine whether they are still eligible.

We conducted this analysis as a follow-up to a May 2024 LLA report in which we evaluated LDH’s oversight of the managed care organizations – or MCOs – responsible for managing the care of Medicaid beneficiaries to ensure these beneficiaries are receiving quality care and necessary services.

Federal regulations require LDH to implement a written quality strategy for assessing and improving the quality of health care and services provided by the MCOs for Medicaid beneficiaries, which LDH does through its Medicaid Managed Care Quality Strategy – or Quality Strategy.

In our May 2024 report, we identified Medicaid beneficiaries who were continuously enrolled in the program for 13 to 60 months and received no services. This included beneficiaries who were disabled, aged, and blind and who may be at a higher health risk if they do not receive needed services.

We also conducted this review, in part, to further the goals of the Governor’s Fiscal Responsibility Program, known as LA DOGE.

Overall, we found that LDH has not started analyzing its Medicaid data to identify beneficiaries who receive no services. As a result, LDH is not using the data to determine whether beneficiaries no longer need Medicaid services or to monitor the MCOs’ management of Medicaid beneficiary care.

We found that LDH paid the MCOs $1.23 billion dollars to manage the care of more than 50,000 beneficiaries who appear to have been continuously enrolled in Medicaid for 36 to 84 months between January 2018 and December 2024 but received no services.

Some of these Medicaid beneficiaries may not have needed or sought Medicaid services because they were healthy.

However, for some beneficiaries identified in our analysis, it is unlikely that they did not need any services because of their Medicaid coverage type. Further, some of these beneficiaries may not have had access to providers or may have had other private insurance.

As part of our evaluation, we identified some factors that may contribute to beneficiaries not receiving services.

We found there were more than 6,300 disabled, aged, or blind beneficiaries for whom $245.5 million dollars in per-member, per-month fees were paid who received no services while enrolled in Medicaid during our audit scope.

In addition, more than 11,000 of the beneficiaries we identified resided in a rural parish and may have had difficulty obtaining services. Also, nearly 10,000 beneficiaries had third-party private or Medicare insurance in all months identified through our analysis, potentially indicating they do not need Medicaid coverage.

Lastly, approximately 4,500 of the beneficiaries we identified were on Medicaid because the Social Security Administration deemed them eligible for Supplemental Security Income. When this occurs, LDH certifies the beneficiary for Medicaid coverage at both application and renewal without asking for additional information to determine eligibility.

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

We recommended that LDH analyze Medicaid data to identify beneficiaries who receive no services over certain periods of time to determine whether they are still eligible for or need Medicaid coverage.

We also recommended that LDH ensure the MCOs are managing the care of the beneficiaries enrolled in their plans by analyzing Medicaid data to identify beneficiaries who receive no services over certain periods of time and requiring the MCOs to provide information about their outreach efforts for those beneficiaries.

As part of its response, which is included in the report as Appendix A, LDH agreed with both of our recommendations.

*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.*