

July 12, 2011

Bruce D. Greenstein, Secretary  
Louisiana Department of Health and Hospitals  
628 North 4<sup>th</sup> Street  
Baton Rouge, LA 70821

Dear Secretary Greenstein:

In a recent Department of Health and Hospitals (DHH) update, regarding Medicaid, the department informed providers that it was launching a new system to root out fraud and abuse, and while we applaud that effort, we also have some questions and concerns. The update stated that beginning the week of July 4, 2011, the department had phased in increased time to review claims for Medicaid services and health care providers were going to be paid one day later than usual during July. Furthermore, the update stated that the late payments would be extended in coming months. Ultimately, DHH will incrementally push the payments out further, until there is a full, additional 14-day window between claims submittal and payment.

Again, while the Louisiana State Medical Society (LSMS) supports decreasing fraud and abuse within the Medicaid program; this does not seem like an efficient way to approach this effort. DHH already audits claims, and when changes are required, the department or its fiduciary agent simply deducts that amount from any future payments. Therefore, can you please provide the LSMS with additional data and explanation as to why this change was necessary, as well as, how this new audit process will work within the coordinated care networks beginning in 2012. Furthermore, we ask that you reconsider delaying provider payments in the future and begin looking for other more effective and efficient ways to audit claims data in an effort not to delay reimbursements.

Sincerely,



Jeffery W. Williams  
Executive Vice President