



DARYL G. PURPERA,  
CPA, CFE

## Report Highlights

# Bayou Health Transparency Report Follow-up

## *Department of Health and Hospitals*

Audit Control # 80150101

Financial Audit Services • September 2015

### Why We Conducted This Work

We performed procedures to evaluate the reliability and consistency of the information the Department of Health and Hospitals (DHH) reported in its second Bayou Health Transparency Report and provide additional information and analysis regarding this report.

### What We Found

Act 212 of the 2013 Regular Session required DHH to submit an annual report on the Medicaid Bayou Health program to the Louisiana Legislature. The second DHH Bayou Health Transparency Report was submitted to the Legislature on December 31, 2014. We performed procedures on this second report to follow-up on our recommendations from the consideration of DHH's first year report. **Overall, we found that DHH addressed many of our prior recommendations and produced a more reliable report.**

We noted the following:

- The second annual transparency report covered January 2013 through December 2013 and duplicated six months of the prior report (January 2013 through June 2013). For 29 months of Bayou Health operations (February 2012 through December 2014), DHH has reported data for only 18 months.
- In the prior report, DHH included global assertions on savings and health outcomes that were not supported in the report. No global assertions were included this year.
- The validation efforts used in the second transparency report resulted in significant improvement over the self-reported data presented in the first report.
- In our prior informational report, we noted mathematical errors and inconsistencies between the report and supporting data. In the second report, we noted one material mathematical error in report Section 23 and no inconsistencies that would materially misstate the report.

Act 158 of the 2015 Regular Session restructured the annual required reporting for Bayou Health. Act 158 will allow DHH, in some instances, to report statistics and performance measures that DHH is already required to collect and report for federal oversight or national statistics gathering. According to DHH, the revised reporting will provide better information with less production time from Medicaid staff and contractors.

View the full report, including management's response, at [www.la.gov](http://www.la.gov).