

STATE OF LOUISIANA

COURT OF APPEAL

FIRST CIRCUIT

2017 CA 0363

EXCELTH, INC.

VERSUS

STATE OF LOUISIANA, THROUGH
THE DEPARTMENT OF HEALTH AND HOSPITALS

Judgment Rendered: DEC 19 2017

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On Appeal from the
Nineteenth Judicial District Court
In and for the Parish of East Baton Rouge
State of Louisiana
Trial Court No. 626,633

The Honorable Timothy E. Kelly, Judge Presiding

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* * * * *

BEFORE: HIGGINBOTHAM, HOLDRIDGE, AND PENZATO, JJ.

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PENZATO, J.

This is an appeal by Appellant, the State of Louisiana, through the Department of Health and Hospitals (LDH),¹ of a judgment reversing LDH's decision to recoup funds from Appellee, EXCELth, Inc. (EXCELth). For the reasons set forth below, we affirm the district court.

FACTS

EXCELth is a non-profit, federally qualified health provider located in New Orleans, Louisiana, which has been in operation since 1991 providing health and behavioral services to indigent patients in the area. Following Hurricane Katrina, the Centers for Medicare and Medicaid Services (CMS) established the Greater New Orleans Community Health Connection (GNOCHC), a Medicaid Demonstration Waiver Program² under Section 1115(A) of the Social Security Act, for the purpose of providing health care services to the uninsured population that was not otherwise eligible for Medicaid programs. 42 USCA § 1315(a). The CMS distributed grant money to provide those health care services, and LDH implemented the program. The GNOCHC Waiver was set up as a 39 month program spanning four fiscal years, October 1, 2010, through December 31, 2013. Demonstration Years One, Two, and Three were limited to \$30 million per year, and Demonstration Year Four was limited to \$7.5 million.

EXCELth was a participant in the GNOCHC program and had two different facilities, one located in Gentilly and one in Algiers. In Demonstration Year One, October 1, 2010 through September 30, 2011, EXCELth received a total of \$815,157.00 in advance payments. Advanced payments were made for Demonstration Year One with the understanding that there would be a

¹ Although the record refers to the Department of Health and Hospitals (DHH), the official name of this agency is now the Louisiana Department of Health (LDH). *See* La. R.S. 36:251. Therefore, we shall refer to Appellant as LDH in this report.

² A demonstration waiver program caps the amount of money that can be spent each year and requires a state match, unlike Medicaid which is an entitlement program.

reconciliation in the first year based on the actual clients served by the provider and the actual services provided. CMS required participating providers to submit all Demonstration Year One claims on an electronic claims system, referred to as the Electronic Data Interchange (EDI), by November 14, 2011. November 2011 was the first year that the GNOCHC program began using electronic submission of claims. The electronic claims system required the provider to submit claims to a billing agent, which communicated with one of several clearinghouses approved by LDH.³ The clearinghouse then transmitted information to Molina Medicaid Solutions (Molina), LDH's fiscal intermediary, who handled claims processing. LDH was responsible for processing the GNOCHC claims via Molina and then provided the funds for paying the claims.

On October 14, 2011, all GNOCHC providers were notified that Molina would begin accepting "encounter claims" on October 17, 2011, for dates of service from October 1, 2010 through September 30, 2011. When EXCELth began preparing for electronic submission, it encountered problems with the electronic claims system and contacted Michael Magee, an LDH employee who was the program monitor for the GNOCHC program, for assistance.

EXCELth timely submitted claims for Demonstration Year One, but 1,190 of those claims were never processed by Molina. Instead, Molina put those claims in a "9999999" file (interchangeably referred to as a "999 file" or as "dropped claims"), and neither approved nor denied them. If information was missing or invalid, the GNOCHC program required Molina to return the unprocessed claims to the provider with a rejection letter listing the reasons for the return or denial of the claim. It is undisputed that Molina did not return the claims to EXCELth with a rejection letter nor did it deny the claims through the system.

³ The clearinghouse is also referred to as a "submitter" in the record and is a third party that submitted the claims to Molina Medicaid Solutions.

All claims were required to be submitted with a National Provider Identifier (NPI) number, a unique identifier assigned to each provider by a separate and distinct entity operated by the federal government, and a Medicaid provider number (provider number). Marisa Naquin, a former LDH employee who was the program manager for GNOCHC, testified that Molina had the incorrect NPI number for EXCELth and Molina had the responsibility to update its provider files. As a result of this error, 1,190 of EXCELth's claims were placed in the 999 file and never processed.

Molina determined there was a problem and notified LDH that it would reprocess the dropped claims. However, Molina never reprocessed those claims of EXCELth. Therefore, Molina approved encounter claims of EXCELth for Demonstration Year One in the amount of \$164,036.96. Since LDH had paid EXCELth an advance payment of \$815,517.00, it determined that EXCELth was overpaid by \$651,120.04. LDH emailed a copy of the final reconciliation for Demonstration Year One to each GNOCHC provider on March 14, 2012. EXCELth did not contact LDH after receiving the reconciliation prior to March 31, 2012, the date the reconciliation was to be submitted to CMS. On April 13, 2012, EXCELth sent LDH a detailed listing of its claims that were never processed by Molina.

On April 18, 2012, LDH notified Michael Andry, the chief executive officer of EXCELth, that the overpayment to EXCELth identified in the final reconciliation report would be offset against EXCELth's supplemental payment in accordance with GNOCHC guidelines. Accordingly, LDH retained \$651,120.04 against EXCELth's original grant of \$815,157.00 based on the approved encounter claims of \$164,036.96. As a result, EXCELth received a net payment of \$255,587.51 for Demonstration Year One because LDH determined that EXCELth

was entitled to a supplemental payment of \$906,707.55 less the offset of \$651,120.04.

PROCEDURAL HISTORY

After an informal hearing, LDH reaffirmed its decision to recoup the \$651,120.04. EXCELth appealed the recoupment to the Division of Administrative Law (DAL) and the matter was assigned to Administrative Law Judge (ALJ) Gregory Toney. LDH filed a motion for summary judgment, which ALJ Toney denied and issued a recommended order.

Pursuant to La. R.S. 49:992(D)(2)(b)(iii)(aa), which allows the head of the agency to approve, reject, or modify the recommended decision, the recommended order was sent to the LDH Administrative Review Unit to prepare the final administrative decision on behalf of the Office of the Secretary of LDH. On November 6, 2013, the LDH Administrative Review Unit issued the final administrative decision and reversed the recommended order of ALJ Toney.

On December 5, 2013, EXCELth filed a Petition for Judicial Review in the Nineteenth Judicial District Court. The district court held a hearing and reversed the LDH Administrative Review Unit's grant of summary judgment and remanded the case to the DAL for further proceedings.

Following the remand to the DAL, both LDH and EXCELth filed motions for summary judgment. LDH withdrew its motion before the hearing, and EXCELth's motion was denied. Thereafter, the case proceeded to trial before ALJ Karla Coreil. On December 17, 2015, ALJ Coreil issued a recommended order and decision stating that LDH incorrectly decided to recoup \$651,120.04 from EXCELth and that LDH's decision be reversed.

The recommended order was sent to the LDH Administrative Review Unit to prepare a final administrative decision on behalf of the Office of the Secretary of LDH. On February 22, 2016, the LDH Administrative Review Unit issued the

final administrative decision reversing the recommended decision and order of ALJ Coreil and upheld the recovery of \$651,120.04 from EXCELth.

On March 22, 2016, EXCELth filed a Petition for Judicial Review in the Nineteenth Judicial District Court, seeking to reinstate ALJ Coreil's recommended decision and order to reverse the recovery of \$651,120.04 from EXCELth and seeking recovery of reasonable litigation expenses pursuant to La. R.S. 49:965.1. After a hearing on November 21, 2016, the district court ruled that LDH's decision was not supported by a preponderance of the evidence, reversed LDH's decision, and reinstated ALJ's Coreil's recommended decision and order, which the district court found was based on the evidence. The district court also ordered LDH to pay \$7,500.00 in litigation costs and expenses in accordance with La. R.S. 49:965.1, as well as judicial interest from September 6, 2012. A judgment was signed in accordance therewith on December 16, 2016.

LDH appealed the December 16, 2016 judgment, and this court issued a rule to show cause, noting that the trial court's judgment appeared to lack decretal language with regards to a money judgment. In response, the trial court issued an amended judgment signed October 6, 2017, clarifying the original judgment. The October 6, 2017 amended judgment satisfies the requirements for a final judgment. *See* La. C.C.P. art. 1918. Thus, we find that the amended judgment now contains sufficient decretal language to be a valid, final judgment, we maintain the appeal and address the merits.

ERRORS

LDH claims that the district court erred by (1) ignoring the acts and omissions of EXCELth which led to Molina's failure to process many of EXCELth's claims and erred by holding LDH solely responsible for that failure; (2) awarding EXCELth judicial interest even though EXCELth did not pray for judicial interest and such interest was not provided by law; and (3) overstating the

amount by which EXCELth was underpaid because the district court assumed Molina as solely responsible for its failure to process many of EXCELth's claims.⁴

STANDARD OF REVIEW

The Louisiana Administrative Procedure Act (APA), La. R.S. 49:964(G), governs the judicial review of a final decision or order in an agency adjudication, providing that:

The court may affirm the decision of the agency or remand the case for further proceedings. The court may reverse or modify the decision if substantial rights of the appellant have been prejudiced because the administrative findings, inferences, conclusions, or decisions are:

- (1) In violation of constitutional or statutory provisions;
- (2) In excess of the statutory authority of the agency;
- (3) Made upon unlawful procedure;
- (4) Affected by other error of law;
- (5) Arbitrary or capricious or characterized by abuse of discretion or clearly unwarranted exercise of discretion; or
- (6) Not supported and sustainable by a preponderance of the evidence as determined by the reviewing court. In the application of this rule, the court shall make its own determination and conclusions of fact by a preponderance of evidence based upon its own evaluation of the record reviewed in its entirety upon judicial review. In the application of the rule, where the agency has the opportunity to judge the credibility of witnesses by first-hand observation of demeanor on the witness stand and the reviewing court does not, due regard shall be given to the agency's determination of credibility issues.

Any one of the six bases listed in the statute is sufficient to modify or reverse an agency determination. *Doc's Clinic, APMC v. State ex rel. Dept. of Health and Hospitals*, 2007-0480 (La. App. 1 Cir. 11/2/07), 984 So. 2d 711, 718, writ denied, 2007-2302 (La. 2/15/08), 974 So. 2d 665. The APA further specifies that judicial review shall be conducted by the court without a jury and shall be confined to the record. La. R.S. 49:964(F).

⁴ LDH assigned a fourth error, which is now moot in light of the amended judgment.

When reviewing an administrative final decision, the district court functions as an appellate court. *Doc's Clinic*, 984 So. 2d at 718. Once a final judgment is rendered by the district court, an aggrieved party may seek review by appeal to the appropriate appellate court. La. R.S. 49:965. On review of the district court's judgment, no deference is owed by the court of appeal to the factual findings or legal conclusions of the district court, just as no deference is owed by the Louisiana Supreme Court to factual findings or legal conclusions of the court of appeal. *Carpenter v. State, Dept. of Health and Hospitals*, 2005-1904 (La. App. 1 Cir. 9/20/06), 944 So. 2d 604, 608, *writ denied*, 2006-2804 (La. 1/26/07), 948 So. 2d 174. Thus, an appellate court sitting in review of an administrative agency reviews the findings and decision of the administrative agency and not the decision of the district court. *Our Lady of Lake Roman Catholic Church, Mandeville v. City of Mandeville, Planning & Zoning Comm'n.*, 2013-0837 (La. App. 1 Cir. 2/3/14), 147 So. 3d 186, 189. Accordingly, this court will conduct its own independent review of the administrative record in accordance with the standards provided in La. R.S. 49:964(G).

DISCUSSION

Failure to Process Claims

LDH claims that the central issue on appeal is whether LDH was solely responsible for Molina's failure to process 1,190 of EXCELth's claims. LDH argues that even though EXCELth did use the correct GNOCHC NPI and provider numbers to submit its claims in Demonstration Year One, EXCELth failed to correctly update its information with a complete new Provider Enrollment (PE-50) form and also failed "to ensure that all the encounter claims it submitted for Demonstration Year One were either approved or denied."

The PE-50 form is a lengthy packet that is completed when a provider is enrolled in the GNOCHC program. In October 2010, when the GNOCHC

program was to begin, approval from the CMS had not yet occurred, so EXCELth used its own NPI number, 1134440977, attached to the already existing Gentilly facility, that it had operated since 1991, to fill out the PE-50 form, as it did not yet have an NPI number associated with the GNOCHC program. Byron Tregre, the chief financial officer of EXCELth, testified that EXCELth was required to indicate a facility that was in existence for LDH to reference the information of EXCELth. EXCELth initially completed the PE-50 form for each facility it owned. EXCELth had operated the Algiers facility in co-operation with the City of New Orleans from 1992 until May 23, 2011. The City of New Orleans had a different NPI number than did EXCELth, and the Algiers facility operated in the GNOCHC program from October 1, 2010, until May 23, 2011, under the City's NPI number. Therefore, initially, EXCELth listed its original NPI number as 1134440977 for both the Gentilly and Algiers facilities on the PE-50 forms originally dated October 20, 2010, when the Gentilly facility began in the GNOCHC program, and May 15, 2011, when EXCELth began operating the Algiers facility without the City.

EXCELth was later asked by Mr. Magee of LDH to obtain new NPI numbers and new provider numbers for each of its facilities that would specifically be for the GNOCHC program to separate the normal Medicaid billing at each facility from the GNOCHC Medicaid billing and each facility was given a different GNOCHC NPI number. Mr. Magee emailed Mr. Andry and Mr. Tregre on July 1, 2011, stating that some providers did not have GNOCHC NPI numbers on file with Molina and requested EXCELth to update its original 1134440977 NPI number linked to its provider numbers for each facility. This same email directs Mr. Andry and Mr. Tregre to "make sure that once you obtain these NPI [numbers] that your EDI contracts are updated with this information for purposes of electronic billing." On August 17, 2011, Mr. Tregre responded to Mr. Magee and Mr. Andry that the

Gentilly facility had been assigned GNOCHC NPI number 1174802870 and provider number 2129619 and that the Algiers facility had been assigned GNOCHC NPI number 1891074597 and provider number 2147617. Mr. Magee responded to the August 17, 2011 email that he would update his records accordingly. Mr. Andry testified that he believed Mr. Magee now had the information he requested in terms of the GNOCHC NPI numbers and that he would update his records. Mr. Andry also assumed that the Molina records would be updated.

In addition to the GNOCHC NPI numbers and provider numbers, EXCELth was also required to obtain a submitter number. In order to submit the claims electronically to Molina, as required by the GNOCHC program, EXCELth had to identify the clearinghouse selected and obtain a submitter number from Molina. The process required EXCELth to submit an EDI contract and an EDI power of attorney, which is part of the PE-50 form, to Molina with the GNOCHC NPI number and provider number, and then Molina returned the form and assigned a handwritten submitter number. EXCELth's vendor for electronic health records initially identified one clearinghouse which was changed to RelayHealth and was later purchased by McKesson. Mr. Tregre testified that to change the clearinghouse, it only had to submit a new EDI form, not an entire new PE-50 form. Following the change of the clearinghouse to McKesson, EXCELth submitted the EDI power of attorney with the correct GNOCHC NPI number, provider number, and submitter number for both facilities by September 30, 2011. Therefore, EXCELth followed the instructions of Mr. Magee's August 17, 2011 email and updated the EDI contracts for both facilities by September 30, 2011.

On October 21, 2011, Molina sent a letter to EXCELth verifying that McKesson was an authorized submitter and EXCELth received the submitter number for McKesson, which was assigned by Molina. Therefore, by October 21,

2011, Molina had verified that it was in possession of the correct GNOCHC NPI numbers and provider numbers for both EXCELth facilities.

Mr. Magee actually testified that Molina was in possession of these EXCELth numbers by September 30, 2011. He also admitted that by October 21, 2011, Molina had processed the EDI power of attorney for both EXCELth facilities. A November 16, 2011 Molina intraoffice email states that “[a]ll of the claims dropped because their NPI Provider Numbers are not loaded to Medicaid Provider Numbers.” This email did not indicate that EXCELth failed to provide any information needed, and the email actually contained all of EXCELth’s correct GNOCHC NPI and provider numbers. On November 18, 2011, Mr. Magee emailed a vendor for EXCELth stating that Molina had identified all the dropped claims and no longer needed certain information that he had previously requested. At the administrative hearing, he agreed that he was explaining that the dropped-claim issue had been resolved. However, although LDH’s plan was to reprocess these claims, the dropped claims did not actually get reprocessed as Mr. Magee had expected they would.⁵

Although LDH asserts that EXCELth’s actions were insufficient to update the GNOCHC NPI numbers with Molina, Mr. Magee admitted at the administrative hearing that the EDI power of attorney form was part of the PE-50 form and did update the PE-50 form. He also testified that an entire new PE-50 form would not have to be filled out in order to update that form. Furthermore, the evidence submitted at the administrative hearing was that the EDI contract was contained within the PE-50 form at pages 8, 9, and 10.

Other than LDH claiming in argument that an entire new PE-50 form was required to be submitted to update the GNOCHC NPI numbers, there is no

⁵ The witnesses at the administrative hearing used the terms “recycle” and “reprocess” interchangeably to refer to the dropped claims of EXCELth submitted prior to the November 14, 2011 deadline.

evidence in the record as to that assertion. Mr. Magee admitted that he did not know how the PE-50 form was to be updated, as it was not part of his position and he was not involved in the update of those records. However, he believed that to update a page of it, an entire new PE-50 form did **not** have to be submitted, only the EDI forms. He had also previously instructed EXCELth to update the GNOCHC NPI numbers with the EDI forms. Additionally, Mr. Magee testified that by September 30, 2011, LDH had the correct GNOCHC NPI and provider numbers for EXCELth and that by November 18, 2011, Molina had informed him that EXCELth's correct GNOCHC NPI and provider numbers had been updated. He further acknowledged that EXCELth's claims were erroneously moved into the 999 file, even though those claims did not contain any improper or incorrect information.

Ms. Naquin also testified that the EXCELth claims in the 999 file had the proper GNOCHC NPI number and provider number. It was her understanding that the claims were put in the 999 file because there was a problem with the provider number, but she could not say if the error was due to the actions of Molina, LDH, or EXCELth. Furthermore, Ms. Naquin testified, as did Mr. Magee, that by November 18, 2011, the NPI numbers for EXCELth were correct so that the claims that had been placed in the 999 file could be reprocessed. An interoffice email between Molina employees also indicated that Molina had informed LDH that the EXCELth claims in the 999 file were going to be reprocessed. Ms. Naquin recognized that Mr. Magee had communicated to an EXCELth vendor that those claims were going to be reprocessed. After discussing the reprocessing, she admitted that LDH had the responsibility to assure that the claims were processed as requested as a joint responsibility with the provider.

LDH also argues that it was the responsibility of EXCELth to notify LDH that not all its claims had been processed. With regard to this assertion, Ms.

Naquin testified that it was the duty of the provider, EXCELth, to review the reconciliation statement and tell LDH if the statement was appropriate. However, she did not believe this requirement was in the GNOCHC guidelines and assumed it was in the broader Medicaid package, but was not sure. Ms. Naquin also admitted that because the claims were being submitted electronically for the first time in November 2011, there were many providers who had trouble getting their claims processed, and LDH even made CMS aware of the situation.

After the administrative hearing, ALJ Coreil made the following findings of fact:

[EXCELth] submitted its correct GNOCHC Medicaid number, NPI number, and submitter number to Molina for both the Gentilly location and the Algiers location. [EXCELth] complied with all GNOCHC standards with regard to claim processing. [EXCELth] timely submitted all information necessary for Molina to make a determination on its claims. Molina processed some claims; Molina failed to process other claims that contained the same GNOCHC Medicaid number, NPI number, and submitter number. All claims should have been processed by Molina. [Footnotes omitted.]

ALJ Coreil also noted that “[a]ll competent evidence supports a finding that [EXCELth] correctly updated its NPI number with Molina and that it timely submitted all claims with all necessary and correct information to Molina for processing.” Furthermore, Molina failed to comply with the GNOCHC Provider Manual which required that claims submitted with missing or invalid information be returned unprocessed to the provider with a rejection letter listing the reason(s) the claims were being returned or denied through the system. Molina did not process the claims, did not return them as unprocessed, and did not deny them. Instead, it placed these claims of EXCELth in a 999 file and no further action was taken. LDH argued at the district court and in this court that EXCELth should have notified LDH that the dropped claims were not reprocessed. We agree with the district court, which astutely pointed out, that EXCELth was told that the dropped claims would be reprocessed, but was not notified that the reprocessing

never took place. LDH attempts to blame EXCELth for the failure to reprocess Molina's claims.

EXCELth submitted at the administrative hearing proof by a preponderance of the evidence that Molina had the proper information to process the encounter claims of EXCELth by November 18, 2011, and that Molina improperly placed those claims in a 999 file and did not process them. Based on this court's independent review of the record, we cannot say that ALJ Coreil's decision was incorrect in reversing LDH's recoupment of \$651,120.04 from EXCELth. Accordingly, we find that the record amply supports the district court's judgment. Therefore, based on our independent review of the record and considering the applicable law and rules governing these proceedings, we do not find that ALJ Coreil's decision, as adopted by the district court, violated constitutional or statutory provisions, were not in excess of the LDH's Administrative Review Unit's authority, were not made upon lawful procedure, were not affected by error of law, and were not arbitrary, capricious, or an abuse of LDH's Administrative Review Unit's discretion. *See* La. R.S. 49:964(G).

Judicial Interest

LDH claims that the trial court erred in awarding EXCELth judicial interest when it was not prayed for or provided by law and relies on La. C.C.P. art. 1921, which governs the grant of judicial interest. Louisiana Code of Civil Procedure article 1921 states that "[t]he court *shall* award interest in the judgment as prayed for or as provided by law." (Emphasis added.) LDH argues that the phrase "as provided by law" refers to legal interest in tort cases, citing La. R. S. 13:4203. However, "as provided by law" is not limited to tort cases. As this court noted in *Quality Design and Const., Inc. v. City of Gonzales*, 2013-0752 (La. App. 1 Cir. 3/11/14), 146 So. 3d 567, 573, "[u]nder Louisiana law, debts bear interest from the due date." Louisiana Civil Code article 2000 specifically provides:

When the object of the performance is a sum of money, damages for delay in performance are measured by the interest on that sum from the time it is due, at the rate agreed by the parties or, in the absence of agreement, at the rate of legal interest as fixed by [La.] R.S. 9:3500.

Thus legal interest on the sum demanded and awarded in this case is provided by law. The judgment correctly awarded legal interest as provided by law even though EXCELth had not specifically prayed therefor.

Amount EXCELth was Underpaid

LDH's third assignment of error is that the district court erred in reversing LDH's decision to "recoup" \$651,120.04 from EXCELth and that the correct amount of underpayment was \$459,063.08. To support its contention, LDH relies upon an email written by Ms. Naquin that explains to a LDH attorney that based on her evaluation of the claims Molina received from EXCELth on November 14, 2011 and November 15, 2011, only 485 claims would have been approved so that the amount due to LDH from EXCELth would have been \$192,396.96 rather than \$651,120.04. Therefore, LDH argues that the correct amount of the underpayment was \$459,063.08.

At the administrative hearing, Mr. Tregre testified at length explaining the amount that he believed LDH incorrectly recouped from EXCELth and supported that position with an extensive list of unprocessed claims. Mr. Andry also testified as to the amount of money incorrectly recouped by LDH.

Ms. Naquin was designated as LDH's La. C.C.P. art. 1442 corporate representative and was deposed on March 23, 2015. At the administrative hearing, LDH did not call her as a witness and ALJ Coreil recognized an adverse presumption. The deposition of Ms. Naquin was then admitted into evidence.

The testimony of Ms. Naquin relied upon by LDH is the following:

Q. Understood. To the best information that you have available, you believe that the recoupment here was \$458,793.08 more than it should have been, correct?

A. Yes.

However, this court notes that prior to the above testimony, Ms. Naquin testified:

Q. So in your opinion the total recoupment from EXCELth should have properly been \$192,326.96? If I'm reading this correctly.

A. Upon confirmation that the claims that were to be recycled had not been recycled, yes.

Q. And have you confirmed that?

A. I have not.

Ms. Naquin was not sure if Molina had ever confirmed that the denials happened on November 14, 2011, or how the Molina computer system operated.

Louisiana Revised Statutes 49:964(G)(6) provides that where the agency has the opportunity to judge the credibility of the witness by first-hand observation of demeanor on the witness stand, due regard shall be given to the agency's determination of credibility issues. Thus, we will give deference to ALJ Coreil's determination that Ms. Naquin was a reliable witness. Given the evidence in the record, we cannot say that the decision to reject the equivocal testimony of Ms. Naquin over the other testimony and evidence in the record as to the amount EXCELth is owed from LDH is manifest error.

CONCLUSION

For the above and foregoing reasons, the October 6, 2017 judgment of the district court is affirmed. All costs of this appeal are assessed against the State of Louisiana, through the Department of Health and Hospitals in the amount of \$30,391.50.

AFFIRMED.