

By: Raymond

H.B. No. 5018

Substitute the following for H.B. No. 5018:

By: Frank

C.S.H.B. No. 5018

A BILL TO BE ENTITLED

AN ACT

relating to certain payment recovery efforts by managed care organizations under Medicaid or the child health plan program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 531.1131, Government Code, is amended by amending Subsection (f) and adding Subsection (g) to read as follows:

(f) In adopting rules establishing due process procedures under Subsection (e), the executive commissioner shall require that a managed care organization or an entity with which the managed care organization contracts under Section 531.113(a)(2) that engages in payment recovery efforts in accordance with this section and Section 531.1135 provide:

(1) written notice to a provider required to use electronic visit verification of the organization's intent to recoup overpayments in accordance with Section 531.1135; and

(2) any [a] provider [described by Subdivision (1)] at least 60 days after the provider has exhausted all rights to an appeal to cure any defect in a claim, including by submitting necessary documentation for the claim or resubmitting the claim, before the organization may begin any efforts to collect overpayments.

(g) A managed care organization or an entity with which the managed care organization contracts under Section 531.113(a)(2)

1 that engages in payment recovery efforts under this section or  
2 Section 531.1135, in conducting an audit or other review of a claim  
3 for which the organization granted prior authorization, may not  
4 review:

- 5           (1) the medical necessity determination; or  
6           (2) an error in the claim documentation, if the error  
7 was not made by the provider.

8           SECTION 2. If before implementing any provision of this Act  
9 a state agency determines that a waiver or authorization from a  
10 federal agency is necessary for implementation of that provision,  
11 the agency affected by the provision shall request the waiver or  
12 authorization and may delay implementing that provision until the  
13 waiver or authorization is granted.

14           SECTION 3. This Act takes effect September 1, 2023.