Amend **CSHB 2292** by striking page 80, line 3, through page 81, line 11, and substituting the following:

Sec. 531.1063. MEDICAID FRAUD PILOT PROGRAM. (a) The commission, with cooperation from the Texas Department of Human Services, shall develop and implement a back-end Medicaid fraud reduction pilot program in one or more counties in this state to address provider fraud and appropriate cases of third-party and recipient fraud.

(b) The program must be designed to reduce:

(1) the number of fraud cases arising from authentication fraud and abuse; and

(2) the number of fraudulent participants.

(c) The program must include:

(1) development and implementation of back-end fraud detection technology, other than technology located or based at the provider level; and

(2) procedures and systems to identify patterns of fraud by Medicaid providers, recipients, or third-parties.

(d) The commission may extend the program to additional counties if the commission determines that expansion would be cost-effective.