

By: Capelo

H.B. No. 3012

A BILL TO BE ENTITLED

AN ACT

relating to the prevention and detection of fraud.

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

SECTION 1. Chapter 61, Health and Safety Code, is amended by amending Section 61.066 to read as follows:

(a) A hospital district may adopt reasonable procedures for minimizing the opportunity for fraud, for establishing and maintaining methods for detecting and identifying situations in which a question of fraud may exist, and for administrative hearings to be conducted on disqualifying persons or discontinuing services to persons in cases where fraud appears to exist.

(b) Procedures established by a hospital district for administrative hearings conducted under this section shall provide for appropriate due process, including procedures for appeals.

(c) Causes for disqualification include the false representation of a present or past fact relating to immigration status, residency, income, or resources made by a person seeking health care assistance.

(d) Causes for disqualification of or discontinuance of services to persons receiving health care assistance include:

(1) presentation of a fraudulent or altered drug prescription; and

(2) abuse of prescription drug assistance, including resale of drugs.

1 (e) A hospital district may seek reimbursement for the costs
2 of services, provided or paid by the district, from persons who are
3 disqualified, or whose services are discontinued under this
4 section.

5 SECTION 2. This Act takes effect September 1, 2003.