

BILL ANALYSIS

C.S.S.B. 47
By: Nelson
Public Health
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The Medicaid Integrity Pilot is a program to reduce fraud by Medicaid providers and recipients by requiring recipients to validate their identity at the point of service through biometric identification. This program ensures that the individual presenting at the provider's office is, in fact, the same as the individual to whom the benefit card was issued. The program can also ensure that a provider only bills Medicaid for services provided to a particular recipient at the time the individual to whom the benefit was issued. The substitute directs the Health and Human Services Commission (HHSC) to expand the Medicaid Integrity Pilot program statewide unless HHSC finds that the program is not cost-effective.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

The substitute requires the HHSC to implement the Medicaid fraud reduction pilot program statewide, rather than authorizing the HHSC to extend the program to additional counties, if the commission determines that statewide implementation would be cost effective. The bill requires the HHSC to adopt a plan to implement the program statewide in phases and to terminate the statewide implementation at any stage of the process if the commission determines that it is not cost-effective. The plan is required to include certain elements for each phase. The bill also requires the HHSC to seek comments from recipients, providers, and other stakeholders in the state Medicaid program in developing the plan.

The substitute defines "Medicaid fraud reduction pilot program." It requires the HHSC, before implementing a phase of the program that requires mandatory participation by Medicaid recipients or health care providers, to submit a report regarding the phase to certain elected state officials. It requires the report to include a description of each component of the plan for that phase. The HHSC is required to report, no later than December 1, 2006, on the status and progress of the Medicaid fraud reduction pilot program, to certain state officials. The report is required to include certain information.

The HHSC is authorized to request any federal waiver necessary for implantation of the program and to delay implementation until necessary federal waivers or authorizations are obtained.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2005.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The substitute removes the language that addresses validating the identity of recipients who are under 15 years of age. It changes the reporting deadline for the HHSC from February 1, 2006, to December 1, 2006.