

By: Nelson

S.B. No. 47

A BILL TO BE ENTITLED

AN ACT

relating to the Medicaid fraud reduction pilot program.

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

SECTION 1. Section 531.1063, Government Code, is amended by amending Subsections (d) and (g) and adding Subsections (d-1), (h), and (i) to read as follows:

(d) In implementing the program, the commission may~~+~~ ~~[(1)]~~ exempt recipients who are children or who are elderly or disabled. ~~[+and]~~

(d-1) If the commission requires recipients who are children under 15 years of age to participate in the program, the commission may validate the identity of those children only by:

(1) obtaining [(2) — obtain] a fingerprint image from a parent or caretaker of the [a recipient who is a] child, regardless of whether the parent or caretaker is a recipient; or

(2) using an alternate method that does not involve obtaining the fingerprints of the child or the child's parent or caretaker.

(g) The commission shall implement ~~[may extend]~~ the program statewide as provided by Subsection (h) ~~[to additional counties]~~ if the commission determines that statewide implementation ~~[expansion]~~ would be cost-effective.

(h) The commission shall adopt a plan to implement the program statewide in phases and shall terminate the statewide

1 implementation at any stage of the process if the commission  
2 determines that statewide implementation would not be  
3 cost-effective. The plan must include for each phase:

4 (1) a description of the policies and procedures to be  
5 tested concerning the handling of lost, forgotten, or stolen cards  
6 carrying a fingerprint image or situations in which a fingerprint  
7 match cannot be confirmed;

8 (2) a determination of whether the commission will  
9 require children or persons who are elderly or disabled to  
10 participate in the phase and the reason or reasons for including  
11 children or persons who are elderly or disabled in the phase; and

12 (3) a description of the manner and location in which  
13 the fingerprint images will be initially collected.

14 (i) In developing the plan required by Subsection (h), the  
15 commission shall seek comments from recipients, providers, and  
16 other stakeholders in the state Medicaid program.

17 SECTION 2. (a) In this section, "Medicaid fraud reduction  
18 pilot program" means the pilot program required by Section  
19 531.1063, Government Code.

20 (b) The Health and Human Services Commission, before  
21 implementing a phase of the Medicaid fraud reduction pilot program  
22 that requires mandatory participation by Medicaid recipients or  
23 health care providers, shall submit a report regarding the phase to  
24 the governor, lieutenant governor, speaker of the house of  
25 representatives, and presiding officer of each standing committee  
26 of the senate and house of representatives having jurisdiction over  
27 the state Medicaid program. The report must include a description

1 of each component of the plan for that phase, as required by  
2 Subsection (h), Section 531.1063, Government Code.

3 (c) In addition to the report required by Subsection (c),  
4 Section 2.23, Chapter 198, Acts of the 78th Legislature, Regular  
5 Session, 2003, the Health and Human Services Commission shall  
6 report, not later than February 1, 2006, on the status and progress  
7 of the Medicaid fraud reduction pilot program to the governor,  
8 lieutenant governor, speaker of the house of representatives, and  
9 presiding officer of each standing committee of the senate and  
10 house of representatives having jurisdiction over the state  
11 Medicaid program.

12 (d) The report required by Subsection (c) of this section  
13 must include:

14 (1) a continued evaluation of the benefits of the  
15 program;

16 (2) an evaluation of the strengths and weaknesses of  
17 the policies and procedures tested in each phase required by  
18 Subsection (h), Section 531.1063, Government Code;

19 (3) information concerning the cost-effectiveness of  
20 the program;

21 (4) if the program has been implemented statewide, any  
22 significant problems encountered; and

23 (5) if the Health and Human Services Commission  
24 requires participation by children or persons who are elderly or  
25 disabled, the reason or reasons for including children or persons  
26 who are elderly or disabled in the program.

27 SECTION 3. If before implementing any provision of this Act

1 a state agency determines that a waiver or authorization from a  
2 federal agency is necessary for implementation of that provision,  
3 the agency affected by the provision shall request the waiver or  
4 authorization and may delay implementing that provision until the  
5 waiver or authorization is granted.

6 SECTION 4. This Act takes effect immediately if it receives  
7 a vote of two-thirds of all the members elected to each house, as  
8 provided by Section 39, Article III, Texas Constitution. If this  
9 Act does not receive the vote necessary for immediate effect, this  
10 Act takes effect September 1, 2005.