

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 20, 2009

TO: Honorable Patrick M. Rose, Chair, House Committee on Human Services

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: SB1432 by Nichols (Relating to the investigation, prosecution, and punishment of criminal Medicaid fraud and certain other offenses related to Medicaid fraud; providing penalties.),
Committee Report 2nd House, Substituted

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend the Code of Criminal Procedure relating to the limitations for felony indictments for the offense of Medicaid fraud. The bill would amend the Health and Safety Code by excluding from employment in certain facilities persons with a conviction for the offense of exploitation of child, elderly individual, or disabled individual. The bill would amend the Penal Code by removing "exploitation" from the conditions related to the offense of injury to a child, elderly person, or disabled person. Exploitation related criminal behavior would be included in the newly created offense of exploitation of a child, elderly individual or disabled individual. The newly created offense would be punishable as a felony of the third degree. The bill would amend the Penal Code by increasing the punishment to the next highest category for the offense of Medicaid fraud if the actor was a provider or high managerial agent at the time of the offense. The bill would amend the Penal Code by adding, under certain circumstances, the offense of Medicaid Fraud to the definition of an organized crime.

For this analysis it is assumed that the number of offenders convicted under the provisions of the bill would not result in a significant impact on the programs and workload of state corrections agencies or on the demand for resources and services of those agencies.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 539 Aging and Disability Services, Department of, 696 Department of Criminal Justice

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