

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 5, 2009

TO: Honorable Jane Nelson, Chair, Senate Committee on Health & 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.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Health and Safety Code and the Penal Code relating to the investigation, prosecution, and punishment of criminal Medicaid fraud and certain other offenses related to Medicaid Fraud. The bill would remove “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 person or disabled person. 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 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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