

By: Guerra, Sheffield of Coryell, Munoz, Jr.,  
Cortez, Bell, et al.

H.B. No. 1536

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to a Medicaid provider's right to an administrative  
3 hearing on an action taken by the office of inspector general for  
4 the Health and Human Services Commission to recover overpayments  
5 under the Medicaid program.

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

7 SECTION 1. Subchapter C, Chapter 531, Government Code, is  
8 amended by adding Section 531.118 to read as follows:

9 Sec. 531.118. HEARINGS ON ACTIONS TAKEN BY OFFICE OF  
10 INSPECTOR GENERAL TO RECOVER CERTAIN OVERPAYMENTS UNDER MEDICAID  
11 PROGRAM. (a) A Medicaid provider from whom the commission's office  
12 of inspector general seeks to recover an overpayment made to the  
13 provider under the Medicaid program is entitled to a hearing on a  
14 determination made or other action taken by the office to recover  
15 the overpayment. A hearing under this section is a contested case  
16 hearing under Chapter 2001.

17 (b) The State Office of Administrative Hearings shall  
18 conduct a hearing under this section. After the hearing, the  
19 office, subject to Subsection (c), shall make a final determination  
20 on the matter.

21 (c) A provider may appeal an order by the State Office of  
22 Administrative Hearings to repay an amount greater than \$50,000 by  
23 filing a petition for judicial review in a district court of Travis  
24 County. An appeal under this section is by trial de novo.

1           SECTION 2. Section 531.118, Government Code, as added by  
2 this Act, applies to a determination made or other action taken on  
3 or after the effective date of this Act by the office of the  
4 inspector general for the Health and Human Services Commission to  
5 recover an overpayment made to a Medicaid provider. A  
6 determination made or other action taken before the effective date  
7 of this Act is governed by the law in effect when the determination  
8 was made or action was taken, and the former law is continued in  
9 effect for that purpose.

10           SECTION 3. If before implementing any provision of this Act  
11 a state agency determines that a waiver or authorization from a  
12 federal agency is necessary for implementation of that provision,  
13 the agency affected by the provision shall request the waiver or  
14 authorization and may delay implementing that provision until the  
15 waiver or authorization is granted.

16           SECTION 4. This Act takes effect September 1, 2013.