

By: Klick, et al.

H.B. No. 3917

Substitute the following for H.B. No. 3917:

By: Raymond

C.S.H.B. No. 3917

A BILL TO BE ENTITLED

AN ACT

relating to the recoupment of payments on certain provider claims made under the Medicaid program.

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

SECTION 1. Subchapter B, Chapter 32, Human Resources Code, is amended by adding Sections 32.0631 and 32.0632 to read as follows:

Sec. 32.0631. POLICIES RELATED TO RECOUPMENT OF PAYMENTS.

(a) Notwithstanding any other law the commission shall, subject to Subsection (b), develop and implement policies to prevent recoupment of an improper payment that was made to a provider for a claim for medical services made under the medical assistance program if the provider:

(1) actually provided a medical service reimbursable under the medical assistance program; and

(2) submitted a clean claim as required under the medical assistance program.

(b) The policies developed under Subsection (a) must:

(1) allow the recoupment of an improper payment in the case of fraud or abuse; and

(2) require that when recoupment is allowed, the amount of a recouped payment may be no greater than the difference between the payment amount made to the provider that is subject to recoupment and the reimbursement rate in effect on the date the

1 service was provided.

2 (c) To reduce the incidence of improper payments under the
3 medical assistance program, the commission shall develop and
4 implement methods to improve communication between:

5 (1) the commission;

6 (2) providers under the program;

7 (3) entities with which the commission contracts to
8 administer claims under the program; and

9 (4) managed care organizations with which the
10 commission contracts to provide medical services to recipients
11 under the program.

12 (d) The methods to improve communication under Subsection
13 (c) must include requirements to provide necessary information to a
14 provider regarding:

15 (1) how, and to whom, the provider must submit a clean
16 claim; and

17 (2) how the provider may file a complaint with the
18 commission regarding a payment dispute, including a complaint that
19 may be filed after the provider has exhausted all rights to appeal.

20 Sec. 32.0632. PROCESSES AND IMPROVEMENTS RELATED TO
21 OVERPAYMENT OF CLAIMS. (a) The commission shall conduct separate
22 studies to:

23 (1) evaluate the feasibility of implementing a process
24 that allows an entity with which the commission contracts to
25 administer claims under the medical assistance program, or a
26 managed care organization with which the commission contracts to
27 provide services to recipients under the medical assistance

1 program, that makes an improper payment on a claim that is subject
2 to Section 32.0631, to have a right of subrogation against another
3 entity, including a managed care organization, that is or would
4 have been responsible for payment of the claim had the claim been
5 properly filed with that entity; and

6 (2) identify improvements that should be made to
7 eligibility determination processes and other administrative
8 procedures in order to reduce the incidence of retroactive
9 disenrollment from the medical assistance program that can result
10 in improper payments.

11 (b) If, as a result of each study conducted under this
12 section, the commission determines that implementation of the
13 studied process or improvements, as applicable, would be feasible
14 and cost-effective to implement, the commission shall,
15 notwithstanding any other law, implement the process or
16 improvements. If the commission implements the process or
17 improvements, the commission shall modify contracts with an entity
18 with which the commission contracts to administer claims and
19 managed care organizations to the extent possible and as necessary
20 for that implementation.

21 (c) Not later than December 1, 2016, the commission shall
22 submit a report to each standing committee of the senate and house
23 of representatives having primary jurisdiction over the medical
24 assistance program detailing the results of each study conducted
25 under this section and, if the commission implemented the
26 applicable process or improvements in accordance with Subsection
27 (b), an analysis of the effectiveness of the implementation in

1 reducing overpayments. This subsection expires September 1, 2017.

2 SECTION 2. Section 32.0631, Human Resources Code, as added
3 by this Act, applies only to improper payments for claims made under
4 the medical assistance program under Chapter 32, Human Resources
5 Code, that are made on or after the effective date of this Act. A
6 claim made before the effective date of this Act is governed by the
7 law as it existed immediately before the effective date of this Act,
8 and that law is continued in effect for that purpose.

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

15 SECTION 4. This Act takes effect immediately if it receives
16 a vote of two-thirds of all the members elected to each house, as
17 provided by Section 39, Article III, Texas Constitution. If this
18 Act does not receive the vote necessary for immediate effect, this
19 Act takes effect September 1, 2015.