

By: Tinderholt

H.B. No. 1871

A BILL TO BE ENTITLED

AN ACT

relating to a person's eligibility for Medicaid.

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

SECTION 1. Section 32.026, Human Resources Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) Rules adopted under Subsection (a) must require that:

(1) a person applying for medical assistance or having the person's eligibility for medical assistance recertified provide the commission with proof of:

(A) at least one month's income from all sources received; and

(B) residency in this state;

(2) the commission provide a recipient notice of the requirements for continued eligibility at least 60 days before the date the recipient's eligibility for medical assistance will expire with a warning that if the recipient fails to fulfill the requirements, the recipient's eligibility for medical assistance will cease on the last day of the eligibility period;

(3) a recipient's eligibility may be reinstated without requiring a new application if the recipient fulfills the requirements for continued eligibility before the last day of the month following the last day of the eligibility period; and

(4) a recipient whose medical assistance has expired may reapply for medical assistance at any time.

1 SECTION 2. Subchapter B, Chapter 32, Human Resources Code,
2 is amended by adding Section 32.02615 to read as follows:

3 Sec. 32.02615. ELIGIBILITY VERIFICATION VENDOR. (a) The
4 executive commissioner shall contract with a private vendor to,
5 using random sampling procedures, conduct an annual audit of
6 recipients enrolled in the medical assistance program to verify
7 that recipients are eligible for assistance under the program. In
8 conducting an audit under this section, the private vendor shall:

9 (1) perform data matches using the name, date of
10 birth, address, and social security number of each recipient
11 against public records to verify recipient eligibility; and

12 (2) make and submit to the commission a preliminary
13 determination regarding whether a recipient is eligible or is not
14 eligible for benefits under the medical assistance program.

15 (b) Not later than the 20th day after the date the
16 commission receives a preliminary determination under Subsection
17 (a)(2), the commission shall accept or reject the private vendor's
18 determination and provide the private vendor with notice of the
19 commission's decision respecting the private vendor's
20 determination together with the commission's stated reason for any
21 rejection of the private vendor's determination.

22 (c) The private vendor shall keep a record of all
23 preliminary determinations of ineligibility for medical assistance
24 communicated to the commission under this section.

25 (d) Not later than the 30th day following the end of each
26 calendar quarter, the commission and the private vendor shall
27 submit a joint report on audits conducted and actions taken during

1 the preceding calendar quarter under this section to the governor,
2 lieutenant governor, and speaker of the house of representatives.

3 The report must include:

4 (1) the number of preliminary determinations of
5 eligibility or ineligibility submitted to the commission by the
6 private vendor under Subsection (a)(2), reported on a monthly
7 basis; and

8 (2) the commission's actions taken with respect to the
9 determinations made by the private vendor and the commission's
10 stated reasons for rejecting any determination of ineligibility
11 made by the private vendor.

12 (e) Information shared with a private vendor under this
13 section is confidential. The private vendor may use the
14 information only for the purposes authorized under this section.
15 The contract between the commission and the private vendor may
16 include penalties for the unauthorized use of the information.

17 (f) The executive commissioner shall adopt rules necessary
18 to implement this section, including rules:

19 (1) establishing minimum qualifications for a private
20 vendor selected to perform audits under this section; and

21 (2) exempting appropriate categories of recipients
22 from audit which may include recipients whose eligibility for
23 medical assistance benefits was verified within the three-month
24 period preceding an audit.

25 (g) This section does not affect the commission's authority
26 to finally determine a recipient's eligibility for benefits under
27 the medical assistance program.

1 SECTION 3. As soon as practicable after the effective date
2 of this Act but not later than December 31, 2017, the executive
3 commissioner of the Health and Human Services Commission shall
4 adopt the rules required by Section 32.026, Human Resources Code,
5 as amended by this Act.

6 SECTION 4. Section 32.026, Human Resources Code, as amended
7 by this Act, applies to an initial determination or redetermination
8 of eligibility of a person for medical assistance under Chapter 32,
9 Human Resources Code, that is made on or after January 1, 2018.

10 SECTION 5. The initial contract entered into under Section
11 32.02615, Human Resources Code, as added by this Act, may not exceed
12 a term of two years and may only be renewed or extended for two
13 successive one-year periods.

14 SECTION 6. If before implementing any provision of this Act
15 a state agency determines that a waiver or authorization from a
16 federal agency is necessary for implementation of that provision,
17 the agency affected by the provision shall request the waiver or
18 authorization and may delay implementing that provision until the
19 waiver or authorization is granted.

20 SECTION 7. This Act takes effect September 1, 2017.