

By: Raymond

H.B. No. 2969

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the detection and reporting of fraud in Medicaid or
3 other health and human services programs.

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

5 SECTION 1. Sections 531.102(j) and (k), Government Code,
6 are amended to read as follows:

7 (j) The office shall prepare a final report on each audit,
8 inspection, or investigation conducted under this section. The
9 final report must include:

10 (1) a summary of the activities performed by the
11 office in conducting the audit, inspection, or investigation;

12 (2) a statement regarding whether the audit,
13 inspection, or investigation resulted in a finding of any
14 wrongdoing; and

15 (3) a description of any findings of wrongdoing.

16 (k) A final report on an audit, inspection, or investigation
17 is subject to required disclosure under Chapter 552. All
18 information and materials compiled during the audit, inspection, or
19 investigation remain confidential and not subject to required
20 disclosure in accordance with Section 531.1021(g). A confidential
21 draft report on an audit, inspection, or investigation that
22 concerns the death of a child may be shared with the Department of
23 Family and Protective Services. A draft report that is shared with
24 the Department of Family and Protective Services remains

1 confidential and is not subject to disclosure under Chapter 552.

2 SECTION 2. Section 531.1021(g), Government Code, is amended
3 to read as follows:

4 (g) All information and materials subpoenaed or compiled by
5 the office in connection with an audit, inspection, or
6 investigation or by the office of the attorney general in
7 connection with a Medicaid fraud investigation are confidential and
8 not subject to disclosure under Chapter 552, and not subject to
9 disclosure, discovery, subpoena, or other means of legal compulsion
10 for their release to anyone other than the office or the attorney
11 general or their employees or agents involved in the audit,
12 inspection, or investigation conducted by the office or the
13 attorney general, except that this information may be disclosed to
14 the state auditor's office, law enforcement agencies, and other
15 entities as permitted by other law.

16 SECTION 3. The heading to Section 531.106, Government Code,
17 is amended to read as follows:

18 Sec. 531.106. LEARNING, ~~[OR]~~ NEURAL NETWORK, OR OTHER
19 TECHNOLOGY.

20 SECTION 4. Sections 531.106(a), (c), and (g), Government
21 Code, are amended to read as follows:

22 (a) The commission shall use learning, ~~[or]~~ neural network,
23 or other technology to identify and deter fraud in Medicaid
24 throughout this state.

25 (c) The data used for data [~~neural network~~] processing shall
26 be maintained as an independent subset for security purposes.

27 (g) Each month, the [~~learning or neural network~~] technology

1 implemented under this section must match vital statistics unit
2 death records with Medicaid claims filed by a provider. If the
3 commission determines that a provider has filed a claim for
4 services provided to a person after the person's date of death, as
5 determined by the vital statistics unit death records, the
6 commission shall refer the case for investigation to the
7 commission's office of inspector general.

8 SECTION 5. Section 531.1061(b), Government Code, is amended
9 to read as follows:

10 (b) For each case of suspected fraud, abuse, or insufficient
11 quality of care identified by the [~~learning or neural network~~]
12 technology required under Section 531.106, the automated fraud
13 investigation tracking system must:

14 (1) receive electronically transferred records
15 relating to the identified case from the [~~learning or neural~~
16 ~~network~~] technology;

17 (2) record the details and monitor the status of an
18 investigation of the identified case, including maintaining a
19 record of the beginning and completion dates for each phase of the
20 case investigation;

21 (3) generate documents and reports related to the
22 status of the case investigation; and

23 (4) generate standard letters to a provider regarding
24 the status or outcome of an investigation.

25 SECTION 6. If before implementing any provision of this Act
26 a state agency determines that a waiver or authorization from a
27 federal agency is necessary for implementation of that provision,

1 the agency affected by the provision shall request the waiver or
2 authorization and may delay implementing that provision until the
3 waiver or authorization is granted.

4 SECTION 7. This Act takes effect immediately if it receives
5 a vote of two-thirds of all the members elected to each house, as
6 provided by Section 39, Article III, Texas Constitution. If this
7 Act does not receive the vote necessary for immediate effect, this
8 Act takes effect September 1, 2017.