

BILL ANALYSIS

S.B. 987
By: Kolkhorst
State Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

In 2005, the 79th Texas Legislature enacted legislation requiring the comptroller of public accounts, on a biennial basis, to contract for the audit and recovery of certain state agency overpayments.

The federal Patient Protection and Affordable Care Act (PPACA), enacted in 2011, contained a provision requiring states to establish a recovery audit contractor program for Medicaid providers, which eliminated these providers from consideration in the statewide recovery audit program. This drastically decreased the number of payments subject to the audit and made it difficult for the comptroller to attract vendors to carry out the program. In 2019, the 86th Texas Legislature enacted S.B. 1571, which decreased the total amount of biennial expenditures that made an agency subject to a recovery audit. The bill also provided the comptroller with the authority to determine when to enter these engagements, rather than requiring the comptroller to contract with a vendor every two years to carry out a recovery audit.

Although the changes made by the 86th Texas Legislature were helpful, additional changes are needed to the Government Code provisions that set out reporting requirements related to the statewide recovery audit program to align the statutory language with the current statewide recovery audit program. S.B. 987 seeks to make these changes. The bill also removes the comptroller's duties relating to the reporting of specified information under the Indigent Health Care and Treatment Act, authorizes the Department of State Health Services (DSHS) instead to require counties to report the specified information, and requires DSHS to prescribe the manner in which a county must report the information.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 987 amends the Government Code to remove the requirements for the comptroller of public accounts to provide copies of any reports received from a consultant contracting with the comptroller to conduct recovery audits for certain state agency overpayments to the governor, the state auditor's office (SAO), and the Legislative Budget Board (LBB). The bill revises the requirement for the comptroller to issue a biennial report to the legislature summarizing the activities conducted under the state recovery audit program during the state fiscal biennium ending August 31 of the previous year, as follows:

- changes the frequency of the report from a biennial report to an annual report;
- includes the governor, SAO, and the LBB among the report's recipients;
- requires the report to summarize instead the activities conducted by a consultant pursuant to a recovery audit completed during the preceding state fiscal year; and
- conditions the comptroller's duty to issue such a report on a recovery audit having been completed during the preceding state fiscal year.

S.B. 987 amends the Health and Safety Code to remove the requirement for the comptroller to give the Department of State Health Services (DSHS), under the Indigent Health Care and Treatment Act, information relating to the taxable value of property taxable by each county and each county's applicable general revenue tax levy for the relevant period, as well as the amount of sales and use tax revenue received by each county for the relevant period. The bill authorizes DSHS instead to require a county to provide that same information for the relevant period for the purpose of determining eligibility for state assistance under that act. The bill requires DSHS to prescribe the manner in which a county must provide the information.

EFFECTIVE DATE

September 1, 2023.