

## **BILL ANALYSIS**

S.B. 961  
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Human Services  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Texas Medicaid provides coverage to millions of low-income children, pregnant women, elderly individuals, and people with disabilities. The bill sponsor has informed the committee that ensuring the accuracy of eligibility decisions is essential, as errors can impact both state and federal budgets, potentially leading to the recoupment of federal funds for ineligible expenses. In addition, the bill sponsor has informed the committee that consistency and accuracy in this process are critical to ensure that services are reserved for those who truly need assistance. The bill sponsor has further informed the committee that many participants fail to report certain income, which can lead to miscalculations in eligibility and allow ineligible individuals to qualify for Medicaid; there have also been cases where Medicaid providers have submitted false claims, such as billing for services that were actually performed by another provider. S.B. 961 seeks to address concerns of Medicaid fraud by strengthening the eligibility verification process.

### **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. 961 amends the Government Code to prohibit the Health and Human Services Commission (HHSC) from waiving or seeking authorization to waive a requirement that HHSC conduct periodic electronic data matches to verify a Medicaid recipient's income eligibility for purposes of public assistance program benefits under statutory provisions relating to electronic data matching or other law.

S.B. 961 revises the provision in current law requiring HHSC to take certain actions on a monthly basis for purposes relating to methods for reducing fraud, waste, and abuse in certain public assistance programs, as follows:

- expands the applicability of the requirement to a recipient of Medicaid benefits or a recipient's household member, as applicable, who received reportable lottery winnings; and
- requires HHSC, if a Medicaid recipient also receives SNAP benefits, to review electronic benefit transfer card transactions made exclusively out of state by the recipient to determine whether the transactions indicate a possible change in the recipient's residence for purposes of Medicaid eligibility.

The bill requires HHSC, on at least a quarterly basis, to determine whether a Medicaid recipient's voter registration has been canceled on official notice of ineligibility, or for any other reason

during the preceding 36-month period, to determine whether the cancellation indicates a possible change in the recipient's eligibility for Medicaid benefits.

S.B. 961 amends the Human Resources Code to prohibit HHSC, when determining and certifying a person's eligibility for Medicaid and except as provided by applicable state law relating to the streamlined Medicaid eligibility determination process for certain former foster care youth and unless self-attestation is permitted by federal law, from accepting self-attestation of the person's income, residency, citizenship, age, household composition, caretaker relative status, or access to other health coverage without additional verification. The bill requires additional verification to be obtained by or provided to HHSC before HHSC may enroll or reenroll the person in Medicaid. The bill requires HHSC to attempt to obtain the additional verification through electronic data matching before requesting documentation from the person.

S.B. 961 revises the provision in current law establishing that a person commits an unlawful act if the person makes a claim under a health care program and knowingly fails to indicate the type of license and the identification number of the licensed health care provider who actually provided the service by specifying that a person commits an unlawful act if the person makes such a claim and knowingly fails to indicate one of the following:

- the type of license held by the licensed health care provider who actually provided the service; or
- the identification number of the licensed health care provider who actually provided the service.

This bill provision applies only to an unlawful act committed on or after the bill's effective date.

If before implementing any provision of the bill a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected by the provision must request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

#### **EFFECTIVE DATE**

September 1, 2025.