

SUBJECT: Expanding Medicaid fraud offense to include other health care programs

COMMITTEE: Criminal Jurisprudence — committee substitute recommended

VOTE: *After recommitted:*
9 ayes — Collier, Zedler, K. Bell, J. González, Hunter, P. King, Moody,
Murr, Pacheco

0 nays

WITNESSES: *April 1 public hearing:*
For — (*Registered, but did not testify:* Vincent Giardino, Tarrant County
Criminal District Attorney's Office; Elise Richardson, Texas Ambulance
Association)

Against — None

On — Carolyn Denero, Office of the Attorney General; (*Registered, but
did not testify:* Brian Johnson, Office of the Attorney General)

BACKGROUND: Penal Code sec. 35A establishes the crime of Medicaid fraud, which
involves false statements or misrepresenting facts to receive a benefit
under the Medicaid program and other actions relating to the program.

Some have suggested that the statute is too narrow and should apply to
fraud committed against other state or federal health care programs.

DIGEST: CSHB 2894 would revise the offense of Medicaid fraud to include actions
involving other health care programs in addition to Medicaid. The offense
would be renamed health care fraud.

The bill would revise many of the definitions relating to the offense,
generally to broaden them to apply to health care programs rather than
only to Medicaid. The bill would add provisions defining a health care
program as a program funded by the state, the federal government, or both
and designed to provide health care services to recipients, including a

program administered in whole or in part through a managed care delivery model.

The bill would take effect September 1, 2019, and would apply to offenses committed on or after that date.

NOTES:

CSHB 2894 was reported favorably without amendment from the House Committee on Criminal Jurisprudence on April 8, placed on the General State Calendar for April 24, recommitted to committee, and reported favorably as substituted on April 25.