

## BILL ANALYSIS

Senate Research Center  
79R9030 UM-F79R488 UM-D

C.S.S.B. 47  
By: Nelson  
Health and Human Services  
3/9/2005  
Committee Report (Substituted)

### AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

The Medicaid Integrity Pilot is a program to reduce fraud by Medicaid providers and recipients by requiring recipients to validate their identity at the point of service through biometric identification. This program ensures that the individual presenting at the provider's office is, in fact, the same as the individual to whom the benefit card was issued. The program can also ensure that a provider only bills Medicaid for services provided to a particular recipient at the time the individual to whom the benefit was issued. C.S.S.B. 47 directs the Health and Human Services Commission to expand the Medicaid Integrity Pilot program statewide unless HHSC finds that the program is not cost-effective.

### RULEMAKING AUTHORITY

This bill does not expressly grant additional rulemaking authority to any state officer, institution, or agency.

### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 531.1063, Government Code, by amending Subsections (d) and (g) and adding Subsections (d-1), (h) and (i), as follows:

(d) Creates Subsection (d-1) from a portion of Subsection (d).

(d-1) Authorizes the Health and Human Services Commission (HHSC), if HHSC requires recipients who are children under 15 years of age to participate in the Medicaid fraud reduction pilot program (program), to validate the identity of those children only by certain methods.

(g) Requires HHSC to implement the program statewide, rather than authorizing HHSC to extend the program to additional counties, if HHSC determines that statewide implementation, rather than expansion, would be cost effective.

(h) Requires HHSC to adopt a plan to implement the program statewide in phases and to terminate the statewide implementation at any stage of the process if HHSC determines that statewide implementation would not be cost-effective. Requires the plan to include certain elements for each phase.

(i) Requires HHSC to seek comments from recipients, providers, and other stakeholders in the state Medicaid program in developing the plan required by Subsection (h).

SECTION 2. (a) Defines "Medicaid fraud reduction pilot program."

(b) Requires HHSC, before implementing a phase of the program that requires mandatory participation by Medicaid recipients or health care providers, to submit a report regarding the phase to certain elected state officials. Requires the report to include a description of each component of the plan for that phase as required by Section 531.1063(h), Government Code.

(c) Requires HHSC to report, no later than February 1, 2006, on the status and progress of the Medicaid fraud reduction pilot program, to certain state officials.

(d) Requires the report required by Subsection (c) to include certain information.

SECTION 3. Authorizes HHSC to request any federal waiver necessary for implantation of the program and to delay implementation until necessary federal waivers or authorizations are obtained.

SECTION 4. Effective date: upon passage or September 1, 2005.