

HB 2080 -- PUBLIC MEDICAL ASSISTANCE

SPONSOR: Torpey

This bill changes the law regarding medical assistance abuse and the State Children's Health Insurance Program (SCHIP).

In its main provisions, the bill:

(1) Defines "credible allegation of fraud" as reliable evidence that overpayments or other violations discovered in the provider's operations are the product, in whole or in part, of fraud committed by the provider or one or more of the provider's staff, contractors, or agents. Reliable evidence is evidence that has been corroborated, is based upon information from a person whose relationship with the suspected perpetrator is such that the person could reasonably be expected to have knowledge of the misconduct, such as an employee, ex-employee, or MO HealthNet participant, or is based on data analysis that reveals abnormal billing practices that appear unjustifiable based on normal business practices;

(2) Redefines the term "fraud." Currently fraud is defined as a known false representation, including the concealment of a material fact that the provider knew or should have known through the usual conduct of his profession or occupation, upon which the provider claims reimbursement under the terms and conditions of a contract or provider agreement and the policies pertaining to the contract or provider agreement of the department or its divisions in carrying out the providing of services, or under any approved state plan authorized by the federal Social Security Act. The bill changes this definition to an intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to that person or some other person. It includes any act that constitutes fraud under applicable federal and state laws, regulations, and policies;

(3) Requires the Department of Social Services to suspend payment for services or supplies under any contract or provider agreement between the department and a provider upon a finding by the department of a credible allegation of fraud unless the department has good cause not to suspend payments as defined in 42 CFR 455.23(e) or to suspend payments only in part as defined in 42 CFR 455.23(f);

(4) Changes eligibility requirements for the State Children's Health Insurance Program (SCHIP). Currently, SCHIP defines uninsured children as persons up to 19 years of age who meet specified criteria and whose parent or guardian has not had access to affordable health care coverage for their children for six

months prior to application for the SCHIP. This bill decreases the amount of time a child must be uninsured from six months to 30 days and changes the requirements of a parent or guardian of uninsured children eligible for SCHIP by removing the requirement that the parent or guardian demonstrate annually that their total net worth does not exceed \$250,000 in total value. The bill decreases the time a child is ineligible for SCHIP coverage when a parent or guardian's income is over 250% of the federal poverty level from six months to 30 days.