

1 STATE OF OKLAHOMA

2 1st Session of the 52nd Legislature (2009)

3 HOUSE BILL 1677

By: Ownbey

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6 AS INTRODUCED

7 An Act relating to poor persons; amending Section 9,
8 Chapter 315, O.S.L. 2006 (56 O.S. Supp. 2008, Section
9 1011.9), which relates to the establishment of a
10 method to reduce the payment error rate; defining
11 term; specifying time of certain training; providing
12 for certain referral upon suspicion of fraud;
13 limiting use of extrapolation method; specifying
14 certain look-back; providing for appeal upon certain
15 condition; providing for hearing; requiring report to
16 the Governor and Legislature; and providing an
17 effective date.

18 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

19 SECTION 1. AMENDATORY Section 9, Chapter 315, O.S.L.
20 2006 (56 O.S. Supp. 2008, Section 1011.9), is amended to read as
21 follows:

22 Section 1011.9 A. 1. The Oklahoma Health Care Authority shall
23 establish a method to deter abuse and reduce errors in Medicaid
24 billing, payment, and eligibility through the use of technology and
25 accountability measures for the Authority, providers, and consumers.
26 The Authority shall achieve a payment error rate measurement of no
27 greater than five percent (5%) by fiscal year 2009. The Oklahoma

1 Health Care Authority shall evaluate and report findings to the
2 Governor and the Legislature.

3 2. For the purposes of this section, "error rate" means errors
4 based on clearly defined objective documentation standards that are
5 readily available to providers. Training to meet the standards
6 shall be provided on at least an annual basis by the Oklahoma Health
7 Care Authority.

8 B. 1. If errors are suspected to be the result of fraudulent
9 acts, the errors shall be reported and investigated by the Oklahoma
10 Attorney General. The Attorney General shall determine whether the
11 errors meet the legal standards of fraud within one hundred eighty
12 (180) days after the report is received by the Attorney General.

13 2. Only after the Attorney General determines that fraudulent
14 acts have been committed shall the extrapolation method be used by
15 the Oklahoma Health Care Authority, with a look-back period of six
16 (6) months.

17 3. Recoupment of overpayments due to identified errors
18 determined not to be fraudulent shall not be subject to the
19 extrapolation method and shall occur only after the provider has had
20 the opportunity to exercise the right to an appeal that shall
21 include a hearing conducted by an administrative law judge appointed
22 by the Oklahoma Attorney General.

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1 C. The Oklahoma Health Care Authority shall evaluate and report
2 findings concerning the limited use of the extrapolation method to
3 the Governor and the Legislature.

4 SECTION 2. This act shall become effective November 1, 2009.

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