STATE OF OKLAHOMA

2nd Session of the 53rd Legislature (2012)

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 1161 By: Stanislawski of the Senate

and

(Mulready) of the House

COMMITTEE SUBSTITUTE

An Act relating to Medicaid; amending 56 O.S. 2011, Section 1011.9, which relates to Medicaid errors; authorizing the Oklahoma Health Care Authority to employ certain persons; prohibiting certain limitation; defining term; and providing an effective date.

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

SECTION 1. AMENDATORY 56 O.S. 2011, Section 1011.9, is amended to read as follows:

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

2009. The ~~Oklahoma Health Care~~ Authority shall evaluate and report findings to the Governor and the Legislature.

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

3. The Authority is authorized to employ five (5) more program integrity auditors than the current number employed on the effective date of this act. Program integrity auditors shall not count toward any full-time-equivalent employee limitations on the agency.

4. For purposes of this section, "program integrity auditor" means a person charged with the responsibility of reasonably ensuring that medical services provided in the state Medicaid program are appropriate through the performance of prepayment reviews, postpayment audits, and/or corrective action tasks.

B. 1. If errors are suspected to be the result of fraudulent acts, the errors shall be reported and investigated by the ~~Oklahoma~~ Attorney General.

2. Recoupment of overpayments due to identified errors determined not to be fraudulent and shall occur only after the provider has had the opportunity to exercise the right to an appeal that shall include a hearing conducted by an administrative law judge appointed by the ~~Oklahoma~~ Attorney General. The provider

shall have the right to participate in the hearing and to be represented by legal counsel.

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

SECTION 2. This act shall become effective November 1, 2012.

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