

1 STATE OF OKLAHOMA

2 2nd Session of the 53rd Legislature (2012)

3 SENATE BILL 1161

By: Stanislawski

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6 AS INTRODUCED

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

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

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

16 Section 1011.9. A. 1. The Oklahoma Health Care Authority
17 shall establish a method to deter abuse and reduce errors in
18 Medicaid billing, payment, and eligibility through the use of
19 technology and accountability measures for the Authority, providers,
20 and consumers. The Authority shall achieve a payment error rate
21 measurement of no greater than five percent (5%) by fiscal year
22 2009. The ~~Oklahoma Health Care~~ Authority shall evaluate and report
23 findings to the Governor and the Legislature.

24 2. For the purposes of this section, "error rate" means errors
based on clearly defined objective documentation standards that are

1 readily available to providers. Training to meet the standards
2 shall be provided on at least an annual basis by the ~~Oklahoma Health~~
3 ~~Care~~ Authority.

4 3. The Authority is authorized to employ one program integrity
5 auditor for every One Hundred Million Dollars (\$100,000,000.00)
6 expended in state and federal funds if the return on investment,
7 including cost avoidance, is greater than the total direct and
8 indirect costs of the employee. Program integrity auditors shall
9 not count toward any full-time-equivalent limitations on the agency.

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

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

18 2. Recoupment of overpayments due to identified errors
19 determined not to be fraudulent and shall occur only after the
20 provider has had the opportunity to exercise the right to an appeal
21 that shall include a hearing conducted by an administrative law
22 judge appointed by the ~~Oklahoma~~ Attorney General. The provider
23 shall have the right to participate in the hearing and to be
24 represented by legal counsel.

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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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