

STATE OF OKLAHOMA

1st Session of the 56th Legislature (2017)

COMMITTEE SUBSTITUTE

FOR ENGROSSED

HOUSE BILL 1270

By: Hall of the House

and

Leewright of the Senate

COMMITTEE SUBSTITUTE

An Act relating to welfare; creating the Act to Restore Hope, Opportunity and Prosperity for Everyone or the HOPE Act; directing Oklahoma Health Care Authority to verify eligibility prior to awarding assistance; providing certain exclusions; listing information to be verified; mandating memorandum of understanding for information; requiring contracting with independent vendors; requiring annualized savings to exceed cost; allowing verification of additional information; requiring eligibility information review at least quarterly; providing certain exclusions; listing types of information for review; directing memorandum of understanding for information; requiring contracting with independent vendors; directing exploration of joining a multistate cooperative; authorizing review of additional information; describing procedures when there is a change in circumstances; requiring applicants to complete an identity authentication process; providing description of authentication process; directing dissemination of information for cases of suspected fraud; mandating Authority to promulgate rules; requiring publication of written report; providing for frequency of report; listing contents of report; providing for codification; and providing an effective date.

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

2 SECTION 1. NEW LAW A new section of law to be codified
3 in the Oklahoma Statutes as Section 246 of Title 56, unless there is
4 created a duplication in numbering, reads as follows:

5 A. This act shall be known and may be cited as the "Act to
6 Restore Hope, Opportunity and Prosperity for Everyone" or the "HOPE
7 Act".

8 B. Prior to awarding assistance under Medicaid, the Oklahoma
9 Health Care Authority shall verify eligibility information of each
10 applicant, excluding those applicants who would be eligible under
11 the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) and
12 excluding those applicants with intellectual disabilities receiving
13 Home and Community Based Medicaid waiver and state-funded services.

14 C. The information verified by the Authority shall include, but
15 is not limited to:

- 16 1. Earned and unearned income;
- 17 2. Employment status and changes in employment;
- 18 3. Immigration status;
- 19 4. Residency status, including a nationwide best-address source
20 to verify individuals are residents of the state;
- 21 5. Enrollment status in other state-administered public
22 assistance programs;
- 23 6. Financial resources;
- 24 7. Incarceration status;

1 8. Death records;

2 9. Enrollment status in public assistance programs outside of
3 this state; and

4 10. Potential identity fraud or identity theft.

5 D. The Authority shall sign a memorandum of understanding with
6 any department, agency or division for information detailed in
7 subsection C of this section.

8 E. The Authority shall contract with one or more independent
9 vendors to provide information detailed in subsection C of this
10 section. Any contract entered under this subsection shall establish
11 annualized savings that exceed the contract's total annual cost to
12 the state.

13 F. Nothing in this section shall preclude the Authority from
14 receiving, reviewing or verifying additional information related to
15 eligibility not detailed in this section or from contracting with
16 one or more independent vendors to provide additional information
17 not detailed in this section.

18 SECTION 2. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 247 of Title 56, unless there is
20 created a duplication in numbering, reads as follows:

21 A. On a quarterly basis, the Oklahoma Health Care Authority
22 shall receive and review information concerning individuals enrolled
23 in Medicaid that indicates a change in circumstances that may affect
24 eligibility, excluding those individuals who would be eligible under

1 the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) and
2 excluding those individuals with intellectual disabilities receiving
3 Home and Community Based Medicaid waiver and state-funded services.

4 B. The information provided to the Authority shall include, but
5 is not limited to:

- 6 1. Earned and unearned income;
- 7 2. Employment status and changes in employment;
- 8 3. Residency status;
- 9 4. Enrollment status in other state-administered public
10 assistance programs;
- 11 5. Financial resources;
- 12 6. Incarceration status;
- 13 7. Death records;
- 14 8. Lottery winnings; and
- 15 9. Enrollment status in public assistance programs outside of
16 this state.

17 C. The Authority shall sign a memorandum of understanding with
18 any department, agency or division for information detailed in
19 subsection B of this section.

20 D. The Authority shall contract with one or more independent
21 vendors to provide information detailed in subsection B of this
22 section. Any contract entered under this subsection shall establish
23 annualized savings that exceed the contract's total annual cost to
24 the state.

1 E. The Authority shall explore joining any multistate
2 cooperative to identify individuals who are also enrolled in public
3 assistance programs outside of this state, including the National
4 Accuracy Clearinghouse.

5 F. Nothing in this section shall preclude the Authority from
6 receiving or reviewing additional information related to eligibility
7 not detailed in this section or from contracting with one or more
8 independent vendors to provide additional information not detailed
9 in this section.

10 G. If the Authority receives information concerning an
11 individual enrolled in Medicaid that indicates a change in
12 circumstances that may affect eligibility, the Authority shall
13 review the individual's case using the following procedures:

14 1. If the information does not result in the Authority finding
15 a discrepancy or change in an individual's circumstances that may
16 affect eligibility, the Authority shall take no further action;

17 2. If the information results in the Authority finding a
18 discrepancy or change in an individual's circumstances that may
19 affect eligibility, the Authority shall promptly redetermine
20 eligibility after receiving such information;

21 3. If the information results in the Authority finding a
22 discrepancy or change in an individual's circumstances that may
23 affect eligibility, the individual shall be given an opportunity to
24

1 explain the discrepancy; provided, however, that self-declarations
2 by applicants or recipients shall not be accepted as verification;

3 4. The Authority shall provide written notice to the individual
4 which shall describe in sufficient detail the circumstances of the
5 discrepancy or change, the manner in which the applicant or
6 recipient may respond, and the consequences of failing to take
7 action. The applicant or recipient shall have ten (10) business
8 days to respond in an attempt to resolve the discrepancy or change.
9 The explanation provided by the recipient or applicant shall be
10 given in writing. After receiving the explanation, the Authority
11 may request additional documentation if it determines that there is
12 risk of fraud, misrepresentation or inadequate documentation;

13 5. If the individual does not respond to the notice, the
14 Authority shall discontinue assistance for failure to cooperate, in
15 which case the Authority shall provide notice of intent to
16 discontinue assistance. Eligibility for assistance shall not be
17 established or reestablished until the discrepancy or change has
18 been resolved;

19 6. If an individual responds to the notice and disagrees with
20 the findings, the Authority shall reinvestigate the matter. If the
21 Authority finds that there has been an error, the Authority shall
22 take immediate action to correct it and no further action shall be
23 taken. If, after an investigation, the Authority determines that
24 there is no error, the Authority shall determine the effect on the

1 individual's case and take appropriate action. Written notice of
2 the Authority action shall be given to the individual; and

3 7. If the individual agrees with the findings, the Authority
4 shall determine the effect on the individual's case and take
5 appropriate action. Written notice of the Authority action shall be
6 given to the individual. In no case shall the Authority discontinue
7 assistance upon finding a discrepancy or change in circumstances
8 until the individual has been given notice of the discrepancy and
9 the opportunity to respond as required under the HOPE Act.

10 SECTION 3. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 248 of Title 56, unless there is
12 created a duplication in numbering, reads as follows:

13 A. Prior to awarding assistance under Medicaid, the Oklahoma
14 Health Care Authority shall require applicants to complete an
15 identity authentication process to confirm that the applicant owns
16 the identity presented in the application.

17 B. The identity authentication process shall be conducted
18 through a knowledge-based quiz consisting of financial and personal
19 questions. The quiz shall attempt to accommodate unbanked or under-
20 banked applicants who do not have an established credit history.

21 C. The identity authentication process shall be available to be
22 submitted through multiple channels including online, in-person and
23 via phone.
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SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 249 of Title 56, unless there is created a duplication in numbering, reads as follows:

The Oklahoma Health Care Authority shall provide information obtained under Sections 1 through 3 of the HOPE Act to the Medicaid fraud control unit of the Office of the Attorney General for cases of suspected Medicaid fraud.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 250 of Title 56, unless there is created a duplication in numbering, reads as follows:

A. The Oklahoma Health Care Authority shall promulgate all rules and regulations necessary for the purposes of carrying out the HOPE Act.

B. On May 1, 2018, and annually thereafter, the Oklahoma Health Care Authority shall publish a written report detailing the impact of Sections 1 through 3 of the HOPE Act, including the number of cases reviewed, the number of cases closed, the number of fraud investigation referrals and the amount of savings and cost avoidance that have resulted from implementation.

SECTION 6. This act shall become effective November 1, 2017.

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