

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Extraordinary Session of the 56th Legislature (2017)

4 HOUSE BILL 1093

By: O'Donnell

7 AS INTRODUCED

8 An Act relating to welfare; creating the Act to
9 Restore Hope, Opportunity and Prosperity for Everyone
10 or the HOPE Act; directing Oklahoma Health Care
11 Authority to verify eligibility prior to awarding
12 assistance; providing certain exclusions; listing
13 information to be verified; mandating memorandum of
14 understanding for information; requiring contracting
15 with independent vendors; requiring annualized
16 savings to exceed cost; allowing verification of
17 additional information; requiring eligibility
18 information review at least quarterly; providing
19 certain exclusions; listing types of information for
20 review; directing memorandum of understanding for
21 information; requiring contracting with independent
22 vendors; directing exploration of joining a
23 multistate cooperative; authorizing review of
24 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; and providing for codification.

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

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

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

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

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

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

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

3 10. Potential identity fraud or identity theft.

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

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

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

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

20 A. On a quarterly basis, the Oklahoma Health Care Authority
21 shall receive and review information concerning individuals enrolled
22 in Medicaid that indicates a change in circumstances that may affect
23 eligibility, excluding those individuals who would be eligible under
24 the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) and

1 excluding those individuals with intellectual disabilities receiving
2 Home and Community-Based Medicaid waivers and state-funded services.

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

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

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

19 D. The Authority shall contract with one or more independent
20 vendors to provide information detailed in subsection B of this
21 section. Any contract entered under this subsection shall establish
22 annualized savings that exceed the contract's total annual cost to
23 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
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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 notice to the individual which
4 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's 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's action shall
6 be given to the individual. In no case shall the Authority
7 discontinue assistance upon finding a discrepancy or change in
8 circumstances until the individual has been given notice of the
9 discrepancy and the opportunity to respond as required under the
10 HOPE Act.

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

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

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

22 C. The identity authentication process shall be available to be
23 submitted through multiple channels including online, in-person and
24 via phone.

1 SECTION 4. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 249 of Title 56, unless there is
3 created a duplication in numbering, reads as follows:

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

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

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

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

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21 COMMITTEE REPORT BY: COMMITTEE ON RULES, dated 10-24-2017 - DO PASS.
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