

STATE OF OKLAHOMA

2nd Session of the 60th Legislature (2026)

SENATE BILL 1380

By: Stewart

AS INTRODUCED

An Act relating to the state Medicaid program; amending 56 O.S. 2021, Sections 246 and 247, which relate to verification of Medicaid eligibility; updating statutory language; requiring certain death record verifications; requiring certain denial or disenrollment of deceased individuals; prohibiting certain coverage or payments on behalf of deceased individuals; directing certain recoupment of funds; requiring certain periodic reviews by the State Auditor and Inspector; and providing an effective date.

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

SECTION 1. AMENDATORY 56 O.S. 2021, Section 246, is amended to read as follows:

Section 246. A. This act shall be known and may be cited as the "Act to Restore Hope, Opportunity and Prosperity for Everyone" or the "HOPE Act".

B. Prior to ~~awarding assistance~~ approving coverage under the state Medicaid program, the Oklahoma Health Care Authority shall verify eligibility information of each applicant, including death record verification conducted immediately prior to approval,

1 excluding those applicants who would be eligible under the Tax
2 Equity and Fiscal Responsibility Act of 1982 (TEFRA) and excluding
3 those applicants with intellectual disabilities receiving ~~Home- and~~
4 ~~Community Based Medicaid waiver~~ Medicaid home- and community-based
5 services and state-funded services.

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

- 8 1. Earned and unearned income;
- 9 2. Employment status and changes in employment;
- 10 3. Immigration status;
- 11 4. Residency status, including a nationwide best-address source
12 to verify individuals are residents of the state;
- 13 5. Enrollment status in other state-administered public
14 assistance programs;
- 15 6. Financial resources;
- 16 7. Incarceration status;
- 17 8. Death records, which shall be verified through, at a
18 minimum, the Social Security Administration's Death Master File and
19 the State Department of Health's system of vital statistics;
- 20 9. Enrollment status in public assistance programs outside of
21 this state; and
- 22 10. Potential identity fraud or identity theft.

23 D. If the death of an applicant is confirmed prior to approval,
24 the Authority shall deny the application and ensure that no Medicaid

1 coverage or payments are authorized on behalf of the deceased
2 individual.

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

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

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

16 SECTION 2. AMENDATORY 56 O.S. 2021, Section 247, is
17 amended to read as follows:

18 Section 247. A. On a ~~quarterly~~ monthly basis, the Oklahoma
19 Health Care Authority shall receive and review information
20 concerning individuals enrolled in the state Medicaid program that
21 indicates a change in circumstances that may affect eligibility,
22 excluding those individuals who would be eligible under the Tax
23 Equity and Fiscal Responsibility Act of 1982 (TEFRA) and excluding
24 those individuals with intellectual disabilities receiving ~~Home and~~

1 ~~Community Based Medicaid waiver~~ Medicaid home- and community-based
2 services 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. 1. The Authority shall conduct monthly death record
17 verification for all individuals enrolled in the state Medicaid
18 program beginning no later than January 1, 2027. Such verification
19 shall include, at a minimum, comparison against the Social Security
20 Administration's Death Master File and the State Department of
21 Health's system of vital statistics.

22 2. Upon confirmation of death, the Authority shall disenroll
23 the deceased enrollee from the state Medicaid program promptly.
24

1 3. The Authority shall ensure that no Medicaid payments are
2 made on behalf of a deceased enrollee for services rendered after
3 the date of death.

4 4. The Authority shall recoup any funds expended on behalf of a
5 deceased enrollee for capitated payments or services occurring after
6 the date of death, to the extent permitted under state and federal
7 law.

8 D. The Authority shall sign a memorandum of understanding with
9 any department, agency or division for information detailed in
10 subsection B of this section.

11 ~~D.~~ E. The Authority shall contract with one or more independent
12 vendors to provide information detailed in subsection B of this
13 section. Any contract entered under this subsection shall establish
14 annualized savings that exceed the contract's total annual cost to
15 the state.

16 ~~E.~~ F. The Authority shall explore joining any multistate
17 cooperative to identify individuals who are also enrolled in public
18 assistance programs outside of this state, including the National
19 Accuracy Clearinghouse.

20 ~~F.~~ G. Nothing in this section shall preclude the Authority from
21 receiving or reviewing additional information related to eligibility
22 not detailed in this section or from contracting with one or more
23 independent vendors to provide additional information not detailed
24 in this section.

1 ~~G.~~ H. If the Authority receives information concerning an
2 individual enrolled in the state Medicaid program that indicates a
3 change in circumstances that may affect eligibility, the Authority
4 shall review the individual's case using the following procedures:

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

8 2. If the information results in the Authority finding a
9 discrepancy or change in an individual's circumstances that may
10 affect eligibility, the Authority shall promptly redetermine
11 eligibility after receiving such information;

12 3. If the information results in the Authority finding a
13 discrepancy or change in an individual's circumstances that may
14 affect eligibility, the individual shall be given an opportunity to
15 explain the discrepancy; provided, however, that self-declarations
16 by applicants or recipients shall not be accepted as verification;

17 4. The Authority shall provide notice to the individual which
18 shall describe in sufficient detail the circumstances of the
19 discrepancy or change, the manner in which the applicant or
20 recipient may respond, and the consequences of failing to take
21 action. The applicant or recipient shall have ten (10) business
22 days to respond in an attempt to resolve the discrepancy or change.
23 The explanation provided by the recipient or applicant shall be
24 given in writing. After receiving the explanation, the Authority

1 may request additional documentation if it determines that there is
2 risk of fraud, misrepresentation or inadequate documentation;

3 5. If the individual does not respond to the notice, the
4 Authority shall discontinue assistance for failure to cooperate, in
5 which case the Authority shall provide notice of intent to
6 discontinue assistance. Eligibility for assistance shall not be
7 established or reestablished until the discrepancy or change has
8 been resolved;

9 6. If an individual responds to the notice and disagrees with
10 the findings, the Authority shall reinvestigate the matter. If the
11 Authority finds that there has been an error, the Authority shall
12 take immediate action to correct it and no further action shall be
13 taken. If, after an investigation, the Authority determines that
14 there is no error, the Authority shall determine the effect on the
15 individual's case and take appropriate action. Written notice of
16 the Authority action shall be given to the individual; and

17 7. If the individual agrees with the findings, the Authority
18 shall determine the effect on the individual's case and take
19 appropriate action. Written notice of the Authority action shall be
20 given to the individual. In no case shall the Authority discontinue
21 assistance upon finding a discrepancy or change in circumstances
22 until the individual has been given notice of the discrepancy and
23 the opportunity to respond as required under the HOPE Act.

1 I. The State Auditor and Inspector shall conduct periodic
2 reviews of the Oklahoma Health Care Authority to ensure compliance
3 with the requirements of this section.

4 SECTION 3. This act shall become effective November 1, 2026.

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