



**Substitute House Bill No. 6514**

**Public Act No. 13-293**

**AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE PROGRAM REVIEW AND INVESTIGATIONS COMMITTEE CONCERNING MEDICAID PAYMENT INTEGRITY.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. (NEW) (*Effective from passage*) (a) On January 1, 2015, and annually thereafter, the Commissioner of Social Services, in coordination with the Chief State's Attorney and the Attorney General, shall submit a joint report on the state's efforts in the previous fiscal year to prevent and control fraud, abuse and errors in the Medicaid payment system and to recover Medicaid overpayments, except as otherwise required. The joint report shall include a final reconciled and unduplicated accounting of identified, ordered, collected and outstanding Medicaid recoveries from all sources. No personally identifying information related to any Medicaid claim or payment shall be included in the joint report. Nothing in this section shall require the Department of Social Services, the office of the Chief State's Attorney or the office of the Attorney General to report information that is protected from disclosure under state or federal law or by court rule.

(b) The Department of Social Services shall provide information, including, but not limited to:

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(1) Data related to Medicaid audits conducted by the department, including: (A) The number of such audits completed by provider type; (B) the amount of overpayments identified due to such audits; (C) the amount of avoided costs identified due to such audits; (D) the amount of overpayments recovered due to such audits; and (E) the number of such audits resulting in referral to the office of the Chief State's Attorney;

(2) Data related to Medicaid program integrity investigations conducted by the department, including: (A) The number of complaints received by source type and reason; (B) the number of investigations opened by source type and provider type; (C) the number of investigations completed, with outcomes for each investigation by source type and provider type; (D) the amount of overpayments identified due to investigations; (E) the amount of overpayments collected due to investigations; (F) the number of investigations resulting in a referral to the office of the Chief State's Attorney; (G) for each closed investigation, the length of time elapsed between case opening and closing by time ranges, from between (i) less than one month to six months, (ii) seven months to twelve months, (iii) thirteen months to twenty-four months, or (iv) twenty-five or more months; (H) for each investigation resulting in a referral to another agency, the length of time elapsed between case opening and referral for the time ranges described in subparagraph (G) of this subdivision; (I) the number of investigations resulting in suspension of Medicaid payments by provider type; and (J) the number of investigations resulting in suspension of provider enrollment from the Medicaid program by provider type; and

(3) The amount of overpayments collected by recovery contractors by type of contractor.

(c) The Chief State's Attorney shall provide Medicaid information including, but not limited to: (1) The number of investigations opened

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by source type; (2) the general nature of the allegations by provider type; (3) for each closed case, the length of time elapsed between case opening and closing by the time ranges described in subparagraph (G) of subdivision (2) of subsection (b) of this section; (4) the final disposition category of closed cases by provider type; (5) the monetary recovery sought and realized by action, including (A) criminal charges, (B) settlements, and (C) judgments; and (6) the number of referrals declined and reason.

(d) The Attorney General shall provide Medicaid information including, but not limited to: (1) The number of investigations opened by source type; (2) the general nature of the allegations by provider type; (3) for each closed case, the length of time elapsed between case opening and closing by the time ranges described in subparagraph (G) of subdivision (2) of subsection (b) of this section; (4) the final disposition category of closed cases by provider type; (5) the monetary recovery sought and realized by action, including (A) civil monetary penalties, (B) settlements, and (C) judgments; and (6) the number of referrals declined and reason.

(e) The joint report shall include third-party liability recovery information for the previous three-year period by fiscal year, including, but not limited to: (1) The total number of claims selected for billing by commercial health insurance and Medicare; (2) the total amount billed for such claims; (3) the number of claims where recovery occurred; (4) the actual amount collected; (5) an explanation of any claim denials by category; (6) the number of files updated with third-party insurance information; and (7) the estimated cost avoidance in the future related to updated files.

(f) The joint report shall include: (1) Detailed and unit specific performance standards, benchmarks and metrics; (2) projected cost savings for the following fiscal year; and (3) new initiatives taken to prevent and detect overpayments.

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(g) The Commissioner of Social Services, in coordination with the Chief State's Attorney and the Attorney General, shall submit the joint report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to human services and appropriations and the budgets of state agencies. Each agency shall also post the joint report on the agency's Internet web site.

Sec. 2. (*Effective from passage*) (a) The Department of Social Services shall conduct an assessment of the feasibility of expanding its Medicaid audit program, including the possible use of contingency-based contractors.

(b) The Department of Social Services shall produce a written analysis of the recovery of Medicaid dollars through its third-party liability contractors to determine if recovery procedures maximize collection efforts.

(c) The department shall submit a written report, in accordance with the provisions of section 11-4a of the general statutes, not later than January 1, 2014, of its findings regarding the audit feasibility assessment and third-party liability analysis to the joint standing committees of the General Assembly having cognizance of matters relating to human services and appropriations and the budgets of state agencies.

Approved July 12, 2013