



# Senate

General Assembly

**File No. 211**

February Session, 2018

Senate Bill No. 243

*Senate, April 4, 2018*

The Committee on Human Services reported through SEN. MOORE, M. of the 22nd Dist. and SEN. MARKLEY, J. of the 16th Dist., Chairpersons of the Committee on the part of the Senate, that the bill ought to pass.

## ***AN ACT CONCERNING AUDITS OF MEDICAL ASSISTANCE PROVIDERS.***

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

1 Section 1. Subdivision (5) of subsection (d) of section 17b-99 of the  
2 2018 supplement to the general statutes is repealed and the following  
3 is substituted in lieu thereof (*Effective from passage*):

4 (5) In conducting any audit pursuant to this subsection, the  
5 commissioner, or any entity with which the commissioner contracts to  
6 conduct such audit, shall accept (A) as sufficient proof of a written  
7 order: A photocopy, facsimile image, an electronically maintained  
8 document or original pen and ink document, and (B) as sufficient  
9 proof of delivery of a covered item or service: A receipt signed by the  
10 recipient of medical assistance or a nursing facility representative or, in  
11 the case of delivery of a covered item or service by a shipping or  
12 delivery service, a supplier's detailed shipping invoice and the  
13 delivery service tracking information substantiating delivery to the

14 address of the medical assistance recipient. A provider, in complying  
 15 with the requirements of any such audit, shall be allowed not less than  
 16 thirty days to provide documentation in connection with any  
 17 discrepancy discovered and brought to the attention of such provider  
 18 in the course of any such audit. Such documentation may include  
 19 evidence that errors concerning payment and billing resulted from a  
 20 provider's transition to a new payment or billing service or accounting  
 21 system. The commissioner shall not calculate an overpayment based  
 22 on extrapolation or attempt to recover such extrapolated overpayment  
 23 when the provider presents credible evidence that an error by the  
 24 commissioner, or any entity with which the commissioner contracts to  
 25 conduct an audit pursuant to this subsection, caused the overpayment,  
 26 provided the commissioner may recover the amount of the original  
 27 overpayment.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	17b-99(d)(5)

**HS**      *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

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***OFA Fiscal Note******State Impact:*** None***Municipal Impact:*** None***Explanation***

The bill specifies the type of documentation the Department of Social Services (DSS) is required to accept as sufficient proof of a written order or delivery of a covered item or service during medical assistance provider audits, which is not anticipated to result in a fiscal impact to the state.

***The Out Years******State Impact:*** None***Municipal Impact:*** None

**OLR Bill Analysis****SB 243*****AN ACT CONCERNING AUDITS OF MEDICAL ASSISTANCE PROVIDERS.*****SUMMARY**

This bill requires the Department of Social Services (DSS) commissioner and entities with which he contracts to accept certain types of documents when conducting Medicaid provider audits.

It requires the DSS commissioner or auditing contractor to accept as sufficient proof of a written order:

1. a photocopy;
2. a fax;
3. an electronically maintained document; or
4. an original pen and ink document.

The bill also requires the commissioner or auditing contractor to accept a receipt signed by the recipient of Medicaid services or a nursing facility representative as proof that a covered item or service was delivered. For Medicaid-covered items or services delivered by a shipping or delivery service (e.g., durable medical equipment), the bill requires DSS or the auditing contractor to accept a supplier's detailed shipping invoice and the delivery service tracking information substantiating delivery to the Medicaid recipient's address as proof of delivery.

EFFECTIVE DATE: Upon passage

**COMMITTEE ACTION**

Human Services Committee

Joint Favorable

Yea 19 Nay 0 (03/22/2018)