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HOUSE BILL NO. 1378

Offered January 22, 2010

A BILL to require the Department of Medical Assistance Services to develop a pilot program for the use of biometric data to improve quality of care and efficiency and reduce waste, fraud, and abuse in the Commonwealth's Medicaid program.

Patron—Sickles

Referred to Committee on Health, Welfare and Institutions

Be it enacted by the General Assembly of Virginia:

- 1. § 1. A. That the Department of Medical Assistance Services establish a pilot program to (i) increase the quality of care provided to recipients of medical assistance services; (ii) improve the accuracy and efficiency in billing for medical assistance services by providers; and (iii) reduce waste, fraud, and abuse in the state's Medicaid program.
- B. The pilot program shall include a system that utilizes biometric data, such as fingerprints, stored on smart cards and biometric readers at the point of contact between medical assistance service providers and recipients to immediately verify a recipient's identity and eligibility for services and create, store, and use electronic records that contain information about the type, nature, and duration of services rendered to a recipient by a provider. The issuance of smart cards and biometric readers shall be provided by the Department at no cost to recipients or providers.
- C. Such program shall be established in at least one county of the Commonwealth and shall include all medical assistance services recipients in the county or counties selected for participation in the pilot program, except that the Department may exempt medical assistance services recipients who are children or elderly and disabled from participation in the pilot program.
- D. The Department shall regularly monitor and review individual service recipients' electronic records and identify and address inaccurate charges and instances of waste, fraud, or abuse.
- § 2. In developing the pilot program, the Department shall ensure that all devices and systems comply with all state and federal requirements relating to interoperability and information security, including all requirements of the Health Insurance Portability and Accountability Act (42 U.S.C. § 1320d et seq.), and shall take steps to ensure that service recipients' personal identifying, health, and other information are protected from unauthorized disclosure. As part of the program, the Department shall adopt procedures and guidelines necessary to facilitate the use of smart cards and biometric readers.
- § 3. In implementing the pilot program, the Department shall take steps to ensure that every medical assistance services provider and recipient participating in the program is informed as to the purpose of the program; the processes for capturing, enrolling, and verifying biometric data; how biometric data will be used; and steps that will be taken to protect personal identifying, health, and other information from unauthorized disclosure. The Department shall also inform medical assistance services providers and recipients participating in the pilot program of procedures for addressing problems related to the loss, theft, malfunction, or damage to smart cards and biometric readers. Additionally, the Department shall develop a hotline available to medical assistance services providers and recipients through which providers and recipients may contact the Department for assistance.
- § 4. The Department shall report to the General Assembly regarding implementation of the pilot program, costs of the program, savings associated with the program, and any other pertinent information, no later than December 1 of 2010, and each year thereafter, for each year of the program's duration.
- § 5. The Department shall seek federal funding to offset all or some portion of the costs of the program.